

## Shipping—Steamers

**HONGKONG, CANTON, MACAO**  
IMPERIAL MAIL LINES.  
**WEST RIVER STEAMERS.**

LINE OF  
JOINT SERVICE OF  
THE HONGKONG, CANTON AND MACAO STEAMBOAT CO. LTD. AND  
THE CHINA NAVIGATION COMPANY, LTD.

**HONGKONG-CANTON LINE.**  
S.S. "NOMAN" 4,355 Tons, "POWAN" 2,338 Tons, "FATSHAN" 1,420 Tons,  
"KINSHAN" 1,795 Tons, "HEUNGSHAN" 1,998 Tons.

Departures from HONGKONG to CANTON daily at 8 A.M. (Sunday excepted), to HONGKONG (Sunday excepted).  
Departures from CANTON to HONGKONG daily at 8 A.M. and 5 P.M. (Sunday excepted).  
The S.S. "POWAN" will leave HONGKONG every Monday, Wednesday and Friday at 9 P.M. from Queen Street Wharf West, returning from Canton every Tuesday, Thursday and Saturday at 5 P.M.

These Steamers, carrying His Majesty's Mails, are the largest and fastest on the River.

Special attention is drawn to their Superior Saloon and Cabin Accommodation.

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HONGKONG, CANTON AND MACAO STEAMBOAT CO., LTD.

**HONGKONG-MACAO LINE.**

SERVICE OF THE HONGKONG, CANTON AND MACAO STEAMBOAT CO., LTD.

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**HONGKONG-MACAO LINE.**

S.S. "SUI-AN" 1,651 Tons and "SUI-TAI" 1,651 Tons.

Departures from Hongkong to Macao on week days at 8 A.M. from Douglas Wharf and at 2 P.M. from the Company's Wharf.

On Sundays Special Cheap Excursions as per particulars at foot.

Departures from Macao to Hongkong on week days at 7.30 A.M. and 2 P.M.

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**JOINT SERVICE OF**

HONGKONG, CANTON AND MACAO STEAMBOAT CO., LTD.,  
THE CHINA NAVIGATION COMPANY, LTD., AND THE INDO-CHINA STEAM NAVIGATION  
COMPANY, LTD.

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**CANTON-HONGKONG LINE.**

**LADIES' DEPARTMENT,**

**CANTON-WUCHOW LINE**  
S.S. "SAINAM," \$88 Tons, and "NANNING," 569 Tons.  
One of the above steamers leaves Canton for Wuchow every Monday, Wednesday and Friday, at about 8 A.M., and the other leaves Wuchow for Canton on the same days at 8.30 A.M. Round trips take about 5 days. These vessels have Superior Cabin Accommodation and are lighted throughout by electricity.

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**--- EXCURSION TO MACAO. ---**  
On **UNDAYS**, the Company's Steamship "SUI-AN" will depart from Douglas Wharf at 9 A.M. Returning from Macao at 5 P.M.  
Popular Excursion Rates as usual.

N.B.—The Company also runs a steamer from Macao on Sunday morning at 7.30 A.M. and from Hongkong at 1 P.M. from the Company's Wharf. This steamer connects with the turning steamer from Macao.

AND  
BASS PALE ALE.

Further particulars may be obtained at the Office of the—  
**HONGKONG, CANTON & MACAO STEAMBOAT CO., LTD.**  
**HOTEL MANSIONS, (FIRST FLOOR),**  
 opposite the Hongkong Hotel.

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**Intimations.**

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One of the most prominent Medical men of  
 China said:

## “Where Bear Brand Milk is

THE MOST POPULAR WINE  
can be had in the following qualities:  
EXTRA DRY (Gout Americain).  
BRUT (Cordon Rouge).

Known, the public will have no further complaint as to their mill supply."

*For Sale at*  
**LANE, CRAWFORD & CO.**  
**THE MUTUAL STORES**  
and all its BRANCHES.  
**A. S. WATSON & CO. LD**

**A. S. WATSON & CO. LTD.**  
and the Agents—  
**BLACKHEAD & CO.**

### NOTICE.

THE only Edition of the RACE BOOK and PROGRAMME authorized by the Stewards of the Jockey Club are those printed by Messrs. NORMAN & Co.

T. F. HOUGH

Clerk of the Course.

Hongkong, 17th January, 1908.

### THE CHINA PROVIDENT LOAN AND MORTGAGE CO. LD.

(CAPITAL PAID UP .....\$1,000,000.)

Loans on Mortgage of House Property, &c.  
 Goods received on Storage.  
 Advances made on Merchandise.  
 Loans made on the Provident System.  
 (Rates and Particulars on application.)

188, OFFICE OF  
 TRUSTEE EXECUTION OF WILLS  
 & ATTORNEYS.  
 Under the Joint Signature  
 SHEWAN, TOMES & Co.  
 General Managers.

Hongkong and Shanghai.

Hongkong, 2nd October, 1907.

**NOTICE.**

THE only Edition of the RACE BOOK  
and F. C. NAME, authorized by the  
SHEWAN TOMES & CO. are those printed  
by Messrs. NOKONOMA & CO.  
T. F. HOUGH,  
Clerk of the Course.

**THE  
CHINA PROVIDENT LOAN  
MORTGAGE CO. LD.**

(CAPITAL PAID UP ..... \$1,000,000.)

Loans on Mortgage of House Property.

**COLD STORAGE.**  
**HONGKONG ICE COMPANY.**

**THE HONGKONG ICE COMPANY LTD.**, have now 40,000 Cubic feet of **GOLD STORAGE** available at EAST POINT. Stores will be Open at 10 A.M. and 4 P.M.  
SHEWAN TOMES & CO., Ltd., General Managers.

WE HAVE THE MIDWAY **W.M. FARLANE,** **SHAW, TOMES & CO.**  
Manager. General Manager.  
HARRIS & DUNN, INC.

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## Shipping—Steamers.

## NORDDEUTSCHER LLOYD,

BREMEN.

## IMPERIAL GERMAN MAIL LINES.

FOR	STEAMERS	TO SAIL
NAPLES, GENOA, ALGIERS, GIBRALTAR, SOUTHAMPTON, ANTWERP and HAMBURG	"ZIEHEN" Capt. F. Prosch	WEDNESDAY, Noon, 29th Jan., 1908.
SHANGHAI, NAGASAKI, KOBE, and YOKOHAMA	"KLEIST" Capt. Rud Meyer	About WEDNESDAY, 29th Jan., 1908.
MANILA, NEWGUINEA, BRISBANE, SYDNEY and MELBOURNE	"PRINZ WALDEMAR" Capt. W. von Senden	THURSDAY, Noon, 30th Jan., 1908.
YOKOHAMA and KOBE	"PRINZ SIGISMUND" Capt. D. Lent	About FRIDAY, 7th Feb., 1908.
KUDAT and SANDAKAN	"BORNEO" Capt. F. Sembill	Middle of February.

For further Particulars, apply to

## NORDDEUTSCHER LLOYD.

MELCHERS &amp; CO.,

GENERAL AGENTS, HONGKONG &amp; CHINA.

Hongkong, 16th January, 1908.

## WEST RIVER BRITISH STEAMSHIP COMPANIES.

HONGKONG-WUCHOW LINE.

THE Steamers "LINTAN" and "SAN-UI" SAIL FROM HONGKONG TWICE A WEEK AND COMPLETE THE ROUND TRIP IN 6 DAYS. These steamers have Excellent Saloon Accommodation, and are Lighted Throughout by Electricity. THE CLIMATE ON THE WEST RIVER DURING THE WINTER MONTHS IS VERY FINE AND EXHILARATING. For further information apply to—

BUTTERFIELD & SWIRE, AGENTS, WEST RIVER BRITISH S.S. COMPANIES.

Hongkong, 2nd November, 1907.

## REGULAR HONGKONG-CANTON LINE OF STEAMERS

COMPAGNIE FRANCAISE DES INDES ET DE L'EXTREME ORIENT.

S.S. "PAUL BEAU," 1,900 tons, 14 knots.  
S.S. "CHARLES HARDOUIN," 1,900 tons, 14 knots.

The speediest, most luxuriously appointed and punctual steamers on the line. Departure from Hongkong at 9.30 P.M. (Sundays excepted). Departure from Canton at 5.15 P.M. (Sundays excepted).

These superb steamers carrying the French Mail are fitted throughout with Electric Light and Fans and were specially built for this trade. Excellent cuisine. The Company's Wharf is at the end of Wing Lok Street (Tram Station). Canton Agents—Messrs. E. Pasquet & Co. For further particulars, please apply to—

BARRETTO &amp; CO., Agents.

Hongkong, 5th April, 1907.

## JAVA-CHINA-JAPAN LIJN.

REGULAR THREE-WEEKLY SERVICE BETWEEN JAVA, CHINA, AND JAPAN.

Steamer	From	Expected on or about	Will leave for	On or about
TJILIWONG	JAVA	Second half Jan.	JAPAN	Second half Jan.
TJIBODAS	JAPAN	First half Feb.	JAVA PORTS	First half Feb.
TJILATJAP	JAPAN	First half Feb.	JAVA PORTS	First half Feb.
TJIPANAS	JAVA	Second half Feb.	JAPAN	Second half Feb.
TJIKINI	JAVA	Second half Feb.	JAPAN	Second half Feb.
TJIMAH	JAVA	Second half Feb.	JAPAN	Second half Feb.

The Steamers are all fitted throughout with Electric Light and have Accommodation for a limited number of Saloon Passengers, and will take Cargo to all Netherland India Ports on through Bills of Lading.

For Particulars of Freight and Passage, apply to

## JAVA-CHINA-JAPAN LIJN.

Telephone No. 375,  
YORK BUILDINGS, 1st floor,  
Hongkong, 20th January, 1908.

## Dentistry.

TWIN TING.

LATEST METHODS OF DENTISTRY.

STUDIO AT NO. 14, D'ARQUILL STREET.

REASONABLE FEE.

Consultation Free.

Hongkong, 11th Jan. 1908.

Dr. M. H. CHAUN,

THE LATEST METHOD

of the

AMERICAN SYSTEM OF DENTISTRY

14 QUEEN'S ROAD CENTRAL,

From the University of Pennsylvania, U.S.A.

Hongkong, 14th April 1908.

## Announcements.

## THE YOKOHAMA DOCK CO., LTD.

## No. 1 DOCK.

Length inside 514 ft. Width of entrance, top 95 ft.; bottom 75 ft. Water on blocks, 37.5 ft. Time to pump out, 4 hours.

## No. 2 DOCK.

Length inside, 375 ft. Width of entrance, top 80.5 ft. bottom 45.8 ft. Water on blocks, 38.5 ft. Time to pump out, 3 hours.

THESE DOCKS are conveniently situated in Yokohama harbour and the attention of Captains and Engineers is respectfully called to the advantages offered for Docking and repairing Vessels and Machinery of every description.

The plant and tools are of recent patterns for dealing quickly and cheaply with work and a large stock of material is always at hand, (plates and angles all being tested by Lloyd's surveyors).

Two powerful Twin Screw Towboats are available for taking Vessels in or out of Dock, and for taking Sailing Vessels in or out of the bay. The floating derrick is capable of lifting 35 tons.

Steam Launches of Steel or Wood, Lighters, Steel Buildings and Roofs, Bridge Work, and all kinds of Machinery are made on the premises.

Tenders will be made up when required and the workmanship and material will be guaranteed.

The cost of Docking, and repair work, will be found to compare favourably with that of any port in the world.

Telephone: Nos. 379, 508, or 681.

Telegrams, "Dock, Yokohama," Codes A. B. O. 4th and 5th Ed.

Liebers, Scotts, A. I. and Watkins.

Yokohama, May 23rd, 1905.

## IMPERIAL BREWING COMPANY, LIMITED.

## PURE CREAM BEER.

For samples and prices please apply to

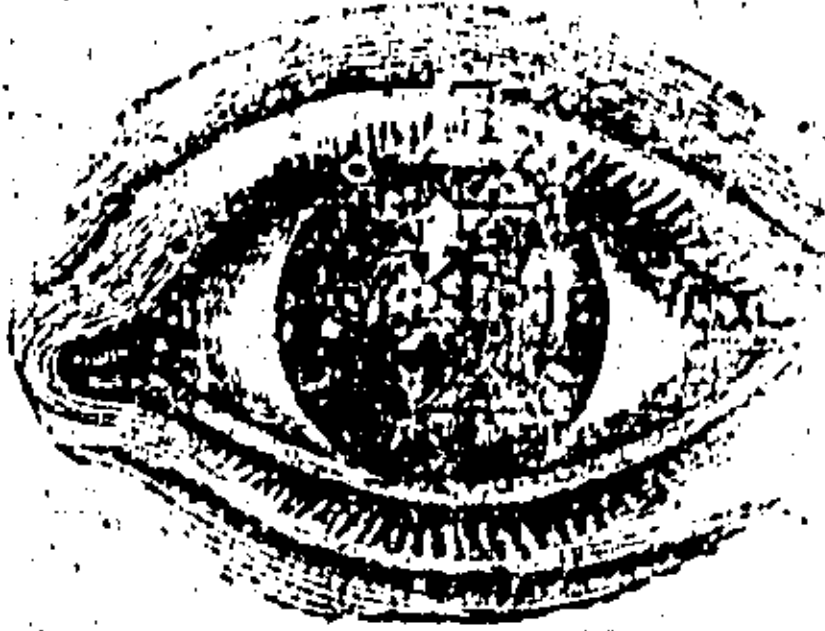
## WINE GROWERS SUPPLY CO.

BARRETTO &amp; CO.,

General Agents.

Hongkong, 22nd October, 1907.

EYES



RIGHT!

N. LAZARUS, OPHTHALMIC OPTICIAN,  
8, PEDDER STREET, HONGKONG.

WILL test your eyes free of charge, and if they are wrong will put them right.

Lenses Ground. All kinds of Repairs. Spectacles for all requirements.

Ask, or write, for Illustrated Booklet on "Defective Sight"—free.

LONDON,

CALCUTTA,

SHANGHAI,

11, John Street, Bedford Row, W.C.

19, Bentinck Street,

166, Nanking Road.

Hongkong, 27th November, 1907.

## Hotels.

## CONNAUGHT HOTEL, HONGKONG.

A FIRST-CLASS EUROPEAN HOTEL,

SITUATED IN THE MAIN STREET NEAR THE BANKS AND PRINCIPAL OFFICES.

31R CITY EUROPEAN MANAGEMENT.

Wines and Spirits of the very Best Quality.

Bath to Every Room.

Hot and Cold Water Throughout.

Hotel Launch Meets All Steamers.

Special Terms for Tourists and Parties or Families.

FOR TERMS APPLY TO—

THE MANAGER &amp; AGENT,

## KOWLOON HOTEL,

HONGKONG.

NEEDS NO ADVERTISING.

World-Wide Reputation.

The only First-class Hotel in Kowloon.

Most Charming and Popular Resort in the Colony.

Electric Lights, Fans and Call Bells.

Bath Rooms attached to Each Room.

Telegraphic Address:

"CHEE" Hongkong.

Telephone No. 14.

Unrivalled for Comfort and Cuisine.

Thoroughly Up to Date with Every Modern

Luxury.

Billiards and Bowling Alleys.

Moderate Terms and No Extra.

Modern Management.

O. E. OWEN,

Proprietor.

## HOTEL CRAIGIEBURN,

PLUNKET'S GAP, the Park, near the TRAM TERMINUS, Tel. 56.

For Terms, &amp;c., apply to the

MANAGER.

Hongkong, 1st Jan. 1908.

## HUMPHREYS ESTATE AND FINANCE CO., LTD.

ANNUAL REPORT.

The report of the directors for the year ending 31st December, 1907, for presentation to the shareholders at the ordinary annual general meeting of the company, to be held at the registered offices of the company, Alexandra Buildings, Des Voeux Road, at noon on Friday, the 31st day of January, 1908, reads:—

"Gentlemen, The directors now beg to submit to you their report and statement of accounts for the year ending 31st December, 1907.

The net profit for that period amounts to \$168,946.84

To which has to be added the balance brought forward from last account \$11,567.15

\$180,513.99

And from this have to be deducted:—

Remuneration to directors 5% commission on net profits \$5,447.44

Remuneration to general managers 5% commission on net profits \$5,447.44

10,894.88

Leaving available for appropriation \$179,619.11

The directors recommend that a dividend of seven per cent on the paid-up capital be paid to shareholders, amounting to \$105,000.00 and that the balance of \$74,619.11 be carried to a new profit and loss account.

DIRECTORS. During the year Dr. J. W. Noble was offered and accepted a seat on the Board. The Directors now are:—Messrs. A. G. Wood, J. Scott Harston, H. A. W. Slade, J. S. Van Buren, Ho Tung and Dr. J. W. Noble. In accordance with rule 76 of the company's articles of association they all retire, but being eligible offer themselves for re-election.

AUDITORS. Mr. W. H. Gaskel having resigned, his place has been taken by Mr. H. Percy Smith who has, in conjunction with Mr. W. Hutton Potts, audited the accounts. Mr. Potts and Mr. Percy Smith offer themselves for re-election.

HENRY HUMPHREYS, Chairman.  
Hongkong, 17th January, 1908.

## THE HONGKONG LAND INVESTMENT AND AGENCY CO., LTD.

ANNUAL REPORT.

The nineteenth report of the Board of Directors to the ordinary meeting of shareholders to be held at the company's offices, Victoria Buildings, at noon, on Tuesday, the 28th January, 1908, is as follows:—

Gentlemen, The directors have now to submit to you a general statement of the affairs of the company, and balance sheet for the year ending 31st December, 1907.

The net profit for that period, including \$56,218.38 balance brought forward from last account, after paying all charges, amounts to \$40,946.43. From this amount an interim dividend of \$5.50 per share has already been paid. It is now proposed to pay a final dividend of \$5.50 per share, and after writing off directors' and auditors' fees there remains a balance of \$36,945.47 to be carried forward to the credit of a new profit and loss account.

DIRECTORS. Messrs. N. A. Siebs, D. M. Nisim and A. Haupt having resigned, Messrs. A. Fuchs, E. Shellim and G. Friedland were invited to join the Board in their places, and these appointments now require confirmation.

Messrs. G. Friedland and A. Fuchs now retire by rotation, but offer themselves for re-election.

AUDITORS. The accounts have been audited by Messrs. C. W. May and H. Percy Smith, who now retire, but offer themselves for re-election.

HENRY KESWICK, Chairman.  
Hongkong, 14th January, 1908.

BALANCE SHEET TO 31ST DECEMBER, 1907.

Liabilities.

Dec. 31, 1907.

Capital \$5,200,000.00

Equalization of dividend fund \$50,000.00

Accounts payable \$1,607,056.54

Balance of profit and loss account \$420,946.43

Less interim dividend paid \$175,000.00

\$7,193,002.97

Assets.

Dec. 31, 1907.

Cash \$6,213.88

Amount advanced on mortgage \$933,700.00

Amount invested in property \$6,018,853.43

Furniture accounts \$41,900.25

Accounts receivable \$7,774.80

\$7,015,002.97

PROFIT AND LOSS ACCOUNT.

For the Year ending 31st December, 1907.

December 31st, 1907.

To: Interim dividend of \$5.50 for the half-year \$175,000.00

Charges account \$20,899.89

Repairs to house property \$17,483.79

Advertising \$1,170.49

Fire insurance \$20,129.37

Legal expenses \$57.50

Interest on loans \$106,028.06

Less interest on mortgages \$8,909.01

\$17,110.05

Balance to be appropriated as follows:—

Directors' fees \$7,500.00

Managing directors' fees \$5,530.96

Auditors' fees \$1,000.00

Final dividend of 31% for the half-year \$175,000.00

Balance to be carried to new account \$6,915.47

\$17,110.05

## Auctions.

PUBLIC AUCTION.

THE Undersigned have received instructions to sell by PUBLIC AUCTION, FOR ACCOUNT OF THE CONCERNED, TO-MORROW,

the 24th January, 1908, at 2.30 P.M., at their Sales Rooms, No. 8, Des Voeux Road, corner of Ice House Street,

SUNDRY VALUABLE HOUSEHOLD FURNITURE,

Comprising:—Double and Single IRON BEDSTEADS and MATTRESSES; TEAKWOOD WARDROBES with BEVELLED GLASS OVER-MANTELS with BEVELLED GLASS SIDEBOARD and DRAWER; WAGGONS with BEVELLED GLASS MARBLE-TOP WASHSTANDS, Double TEAKWOOD WARDROBES with BEVELLED GLASS TAPESTRY-COVERED DRAWING ROOM SUITE, GLASS, CROCKERY and E.P. WARE, CARPETS, COOKING STOVE and UTENSILS, &c., &c., &c. Catalogues will be issued.

TERMS:—As usual.

HUGHES & HOUGH, Auctioneers.

Hongkong, 21st January, 1908. [149]

PUBLIC AUCTION.

THE Undersigned have received instructions to sell by PUBLIC AUCTION, FOR ACCOUNT OF THE CONCERNED, ON SATURDAY,

the 25th January, 1908, at 12 o'clock Noon, at No. 7, Pedder's Hill,

THE WHOLE OF THE VALUABLE SUNDRY HOUSEHOLD FURNITURE,

THREEIN CONTAINED, Comprising:—SILK and PLUSH-COVERED DRAWING ROOM SUITE, TEAKWOOD OVER-MANTELS with BEVELLED GLASS, a quantity of CANTON CARVED BLACK-WOOD WARE, BRONZE BUSTS, ENGRAVINGS, TEAKWOOD EXTENSION DINING TABLE and CHAIRS, MARBLE-TOP SIDEBOARD with BEVELLED GLASS, DINNER WAGGONS, GLASS, CROCKERY and E.P. WARE, Double and Single WARDROBES with BEVELLED GLASS, MARBLE-TOP BUREAU with BEVELLED GLASS, MARBLE-TOP WASHSTANDS, ELECTRIC FANS and CHANDELIERS, &c., &c., &c.

Also, A number of SILVER CANDLESTICKS, TRAYS, FLOWER HOLDERS, ORNAMENTS, COMBINATION IRON SAFE, AND

One POLYPHON-CONCERTO and One SEMI-GRAND PIANO by Steinway & Sons, New York and Hamburg, with extra 3-Key Notes and Pianola to match (all in First Class Order and Condition).

Catalogues will be issued.

TERMS:—As usual.

HUGHES & HOUGH, Auctioneers.

Hongkong, 16th January, 1908. [151]

PUBLIC AUCTION.

MESSRS. HUGHES & HOUGH, Government Auctioneers, have instructions to sell by Public Auction, on

SATURDAY,

the 25th January, 1908, at 11 A.M.; on Board,

IN ONE LOT,

The well-known British River Steamer "WING-CHAI,"

PRINCIPAL DIMENSIONS: Length over all 180 feet,

Beam amidship 28 " 6in,

Depth 12 " 6in,

Draft 9 " 9in,

Speed 12 knots,

ENGINE—Surface Condensing Compound Cylinder H.P. 23in., L.P. 46in, Stroke 10in.

BOILER—(2) Two 10ft. 6in. Diameter 15 ft. long, 2 furnaces each Steam pressure 125 lbs. Recently surveyed and found in good condition.

The Vessel is fitted with Electric Installation, Complete with all Engines and Gear, Anchors, Boats, &c., now lying off Hung Hom Bay.

TERMS:—25% of the purchase money to be paid on the fall of the hammer and the Balance on or before the 31st January 1908.

A steam launch will leave Blake Pier at 10.30 A.M. to convey intending Purchasers. Inspecting order can be obtained from the Auctioneers.

For further particulars, apply to the undersigned—

WILKINSON & GRIST, Solicitors.

or to the AUCTIONEERS.

Hongkong, 22nd January 1908. [151]

## PUBLIC WORKS DEPARTMENT.

PARTICULARS AND CONDITIONS of the letting by Public Auction Sale, to be held on MONDAY, the 27th day of January, 1908, at 3 P.M., at the Office of the Public Works Department, by Order of His Excellency the Governor, of One Lot of CROWN LAND, on the South of and adjoining Inland Lot 1508, Conduit Road, in the Colony of Hongkong, for a term of 75 years, with the option of renewal at a CROWN RENT to be fixed by the Surveyor of His Majesty the KING, for one further term of 75 years.

PARTICULARS OF THE LOT.

No. of Lot.	Locality.	Boundary Measurements.				Area in Acres.	Area in Sq. Yds.
		East.	West.	North.	South.		
1508	Conduit Road, South of and adjoining Inland Lot 1508.	100	100	100	100	100	100

Hongkong, 20th January, 1908. [149]

## NOTICE.

THE Public are hereby informed that no change has been made in the Rates of Subscription to the Hongkong Telegraph, and they are warned against paying more than TEN CENTS (10cts) per Single Copy.

THE MANAGER, Hongkong Telegraph Co., Ltd., Hongkong, 20th January, 1908.



## Intimations.

**Wm. Powell, Ltd.,**  
**ALEXANDRA BUILDINGS.**

**FOR THE RACES.**

**Novelties for SMART WEAR.**

**Fashionable DRESS FABRICS.**

**Dainty Made-up LACE GOODS.**

**Prevailing Styles in MILLINERY.**

**Newest FOOTWEAR.**

**W.M. POWELL, LTD.,**  
**DES VŒUX ROAD,**  
**28, QUEEN'S ROAD.**

## Public Companies.

## THE HONGKONG LAND RECLAMATION COMPANY, LIMITED.

NOTICE is hereby given that the SEVENTH ORDINARY MEETING of SHAREHOLDERS in this Company will be held at the Company's Office, Victoria Buildings, on TUESDAY, the 28th January, 1908, at 11.15 A.M. for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ending 31st December, 1907.

The REGISTER of SHARES of the Company will be CLOSED on TUESDAY, the 21st January, to 1 P.M., the 28th January (both days inclusive), during which period no transfer of shares can be registered.

By Order of the Board of Directors,  
MOWBRAY S. NORTHCOTE,  
Secretary.

Hongkong, 14th January, 1908. [127]

## THE WEST POINT BUILDING COMPANY, LIMITED.

NOTICE is hereby given that the TWENTH ORDINARY MEETING of SHAREHOLDERS in this Company will be held at the Company's Office, Victoria Buildings, on TUESDAY, the 21st January, 1908, at 11.30 A.M. for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ending 31st December, 1907.

The REGISTER of SHARES of the Company will be CLOSED on MONDAY, the 20th January, to 1 P.M., the 28th January (both days inclusive), during which period no transfer of shares can be registered.

By Order of the Board of Directors,  
A. SHELTON HOOPER,  
Secretary to the Hongkong Land Investment and Agency Co., Ltd.,  
General Agents for the West Point Building Co., Ltd.

Hongkong, 10th January, 1908. [104]

## THE HONGKONG LAND INVESTMENT AND AGENCY COMPANY, LTD.

NOTICE is hereby given that the TWENTH ORDINARY MEETING of SHAREHOLDERS in this Company will be held at the Company's Office, Victoria Buildings, on TUESDAY, the 28th January, 1908, at 11.30 A.M. for the purpose of receiving the Report of the Directors together with a Statement of Accounts for the year ending 31st December, 1907.

The REGISTER of SHARES of the Company will be CLOSED from FRIDAY, the 17th January, to TUESDAY, the 28th January (both days inclusive), during which period no transfer of shares can be registered.

By Order of the Board of Directors,  
A. SHELTON HOOPER,  
Secretary.

Hongkong, 10th January, 1908. [103]

## THE CHINA PROVIDENT LOAN AND MORTGAGE COMPANY, LIMITED.

THE ELEVENTH ORDINARY ANNUAL MEETING of SHAREHOLDERS in this Company will be held at the OFFICES of the Company, St. George's Building, No. 6, Gonaught Road, on WEDNESDAY, 29th January, 1908, at 11.30 A.M. for the purpose of receiving a Statement of Accounts and the Report of the General Managers for the year ending 31st December, 1907, declaring a Dividend and electing a Consulting Committee and Auditors.

The TRANSFER BOOKS of the Company will be CLOSED from SATURDAY, the 25th January, to WEDNESDAY, the 29th January, 1908, both days inclusive.

SHEWAN, TOMES & Co.,  
General Managers.

Hongkong, 16th January, 1908. [134]

## NOTICE.

THE ANNUAL MEETING OF THE HONGKONG BENEVOLENT SOCIETY will be held at the City Hall, on THURSDAY, January 30th, at 5.30 P.M.

Hongkong, 20th January, 1908. [145]

## Intimations.

## PAIST BREWING COMPANY, MILWAUKEE.

FRESH SUPPLIES ALWAYS KEPT IN STOCK BY

SIEMSEN & Co.,  
Agents for

H. NOKONO & SOUTHERN CHINA.

Hongkong, 29th July, 1907. [155]

## O. C. MOOSA,

1 & 3, D'AGUIAR STREET.

JUST UNPACKED A LARGE AND SPLENDID STOCK OF

FRENCH MILLINERY,

IN VARIOUS SHAPES AND COLOURS.

SHOES! SHOES! SHOES!

IN BLK. AND TAN GLACE KID

from the best American Manufacturer.

FLANNELS, TWEEDS, SERGES, LADIES' DRESSING GOWNS and JACKETS.

Samples on application. Cash orders carefully executed.

Hongkong, 23rd January, 1908. [156]

## HARBOUR OF REFUGE.

## COMMITTEE'S RECOMMENDATIONS.

## MONG-KOK-TSUI SCHEME PROPOSED.

At the meeting of the Legislative Council, this afternoon, the report of proceedings at a meeting of the Public Works Committee, held on the 14th inst., was laid on the table. The members present were the Director of Public Works (Hon. Mr. W. Chatham, C.V.O.), the Hon. Mr. E. Osborne and the Hon. Mr. Henry Keewick, the Colonial Treasurer and the Hon. Mr. E. A. Hewitt being absent.

The Chairman read the report of the last meeting (held on the 19th December, 1907), and a minute by His Excellency the Governor, dated the 20th November, 1907, with reference to the question of dredging or partly dredging and partly reclaiming Causeway Bay. In accordance with the decision come to at the last meeting, the following papers had been circulated to members:

(i) Mr. Boulton's report of 28th September, 1907, on the Mongkoktsui Scheme.  
(ii) Comparative statement of area, cost, &c., of Mongkoktsui and Kennedy Town Schemes.  
(iii) Estimated cost of Dredging Causeway Bay.

(iv) Plan accompanying Mr. Boulton's report.  
(v) Chart No. 380 with Mongkoktsui and Kennedy Town Schemes shown on it.

The minutes by members on the general question of improving the existing Harbour of Refuge and providing a new one were then read. The following is a brief abstract of them:

Mr. KISWICK.—Existing Harbour.—Causeway Bay should be immediately deepened. A depth of 9 feet all over, as proposed in the Public Works Department estimate, would be superfluous and it would suffice if the entire area were divided into three, equal parts having depths of 9, 6 and 3 feet respectively.

New Harbour.—A harbour at Cheung Sha Wan would be preferable to one opposite Mongkoktsui on the grounds of economy. The Kennedy Town proposal would be a luxury and the minor Mongkoktsui scheme an absolute waste of money.

Mr. OSBORNE.—Existing Harbour.—Causeway Bay should be deepened so as to afford 10 feet depth along the north side, diminishing to 2 feet along the south side, but, as the area of the bay is insufficient, additional accommodation must be provided.

New Harbour.—A sheltered area of 10 acres is required. The Kennedy Town Scheme would be too costly and too small and, in a strong north-east wind, boats would be driven past it or wrecked on the breakwater. A breakwater at Cheung Sha Wan would be more sheltered than one at Mongkoktsui and would therefore be less costly and for that and other minor reasons it was to be preferred.

Mr. HEWITT.—Existing Harbour.—Causeway Bay should be dredged as proposed by Mr. Keewick. New Harbour.—This should be either at Mongkoktsui or Cheung Sha Wan, preferably the latter.

Mr. THOMSON.—Existing Harbour.—The dredging of Causeway Bay should, if carried out, be an additional work.

New Harbour.—Kennedy Town Scheme is out of the question. No estimate has been given of the Cheung Sha Wan Scheme.

A report by Mr. Boulton, dated 3rd January, 1908, reviewing the points raised in the foregoing minutes was then read. It contained the following statements:—

Causeway Bay.—A comparison of old and new charts showed that no appreciable advance of the foreshore had occurred since the establishment of the Colony. Of the 3 nubbals discharging into the bay, only one drains bare hills which are likely to yield detritus and to produce silting; but this is counteracted by frequent dredging. The large dredgers in the Colony which might possibly be hired were unsuitable for the work suggested as it would be necessary, in order to provide flotation for them, to dredge to a depth far in excess of that specified. Special plant would have to be purchased to carry out the deepening suggested and, assuming that it were disposed of on completion of the work, the cost would probably amount to about \$500,000. The removal of all material above the level of low water of ordinary spring tides could be done by manual labour and was estimated to cost about \$70,000.

New Harbour.—The cost of a breakwater at Cheung Sha Wan, enclosing an area of 106 acres, was estimated roughly at \$1,420,000 and, if the shallow areas opposite the ends of the breakwater had not been reclaimed by the time it was carried out, temporary groins would be required to restrict the width of the entrances. The scheme was as shown on a tracing dated 15.7.04 in C.S.O. 9647/1903. A modified scheme to enclose an area of 100 acres at Cheung Sha Wan could be carried out at a cost estimated approximately at \$1,200,000. The objection to both these proposals was that they would prevent the carrying out of an extensive reclamation scheme for which the bay was well adapted.

The proposed breakwater at Mongkoktsui was strengthened by the introduction of concrete piers to a small extent, but otherwise it was of such a type as would be required at Cheung Sha Wan or elsewhere. Mongkoktsui was nearer the centre of the harbour than Cheung Sha Wan, a very important consideration in the case of a sudden storm.

The Chairman read the report of a Public Works Committee meeting held on the 19th October, 1907, at which the various proposals

for a new harbour were considered, and the result being that the Mongkoktsui site was unanimously recommended to Government.

## RECOMMENDATIONS.

After full discussion, the members present agreed to the following recommendations:—

(a) In view of the proposed reclamation scheme at Cheung Sha Wan, the Mongkoktsui scheme should be adopted and a condition should be made that the existing trading anchorage off Yau-mai is not to be interfered with after the completion of the scheme.

(b) In view of the great expense involved in carrying out any extensive scheme of dredging at Causeway Bay, which is really unnecessary for the requirements of the craft seeking refuge there, steps should be taken to provide a shallow depth of water over the area which at present dries at low water. This work should be regarded as an urgent one. The Committee understood that the work recommended in (b) can be done by hand at a moderate cost.

## Intimations.

## GREEN ISLAND CEMENT COMPANY, LIMITED.

## PORTLAND CEMENT.

In Casks of 375 lbs. net \$5.00 per Cask ex Factory.

In Bags of 250 lbs. net \$3.00 per Bag ex Factory.

SHEWAN, TOMES & Co.,  
General Managers.

Hongkong, 3rd October, 1907. [152]

## F. BLACKHEAD &amp; CO., SHIP-CHANDLERS, SAILMAKERS, COAL AND PROVISION MERCHANTS, NAVAL CONTRACTORS, AND GENERAL COMMISSION AGENTS.

GROUND FLOOR, ST. GEORGE'S BUILDING, HONGKONG, SOAP AND SODA MANUFACTURERS.

## SOLE AGENTS FOR

HARTMANN'S RAHTJENS' GENUINE COMPOSITION RED HAND BRAND, HARTMANN'S GREY PAINT, DAIMLER'S PATENT MOTOR LAUNCHES.

&c., &c., &c.

Sole Agents for

FERGUSON'S SPECIAL CREAM and

P. & O. SPECIAL LIQUOR NOTCH WHISKY, &c.

EVERY KIND OF SHIPS STORES AND REQUISITES ALWAYS IN STOCK

AT REASONABLE PRICES.

Hongkong, 7th March, 1907. [146]

## PEAK TRAMWAYS COMPANY, LIMITED.

## TIME TABLE.

## WEEK DAYS.

7.00 a.m. to 9.30 a.m. Every 10 minutes.  
9.30 a.m. to 11.00 a.m. Every 15 minutes.  
11.30 a.m. to 12.45 p.m. Every 15 minutes.  
12.45 p.m. to 1.15 p.m. Every 10 minutes.  
1.15 p.m. to 1.45 p.m. Every 15 minutes.  
1.45 p.m. to 2.15 p.m. Every 10 minutes.  
2.15 p.m. to 3.00 p.m. Every 15 minutes.  
3.30 p.m. to 5.00 p.m. Every 15 minutes.  
5.00 p.m. to 8.00 p.m. Every 10 minutes.

## NIGHT CARS.

8.45 p.m. and 9 p.m. 9.45 p.m. to 11.15 p.m. every half hour.

## SUNDAYS.

8.00 a.m. to 9.00 a.m. Every 15 minutes.  
9.00 a.m. to 9.30 a.m. Every 30 minutes.  
9.30 a.m. to 10.30 a.m. Every 15 minutes.  
10.30 a.m. to 11.00 a.m. Every 10 minutes.  
11.45 a.m. to 12.00 noon. Every 15 minutes.  
12.00 Noon to 1.00 p.m. Every 10 minutes.  
1.00 p.m. to 5.00 p.m. Every 15 minutes.  
5.00 p.m. to 6.00 p.m. Every 10 minutes.  
6.00 p.m. to 7.00 p.m. Every 15 minutes.  
7.00 p.m. to 8.00 p.m. Every 10 minutes.

## NIGHT CARS on Week Days.

Extra cars at 3.15 p.m., 11.30 p.m. and 11.45 p.m.

## SPECIAL CARS by Arrangement at the Company's Office, ALEXANDRA BUILDING, Des Vœux Road Central.

JOHN D. HUMPHREYS & SON,  
General Managers.

Hongkong, 4th June, 1907. [157]

## A WONDERFUL DISCOVERY.

This is the age of research and experiment, when all nature, so to speak, is ransacked by the scientist for its secrets and hidden powers. Science has indeed made giant strides during the past century, and among these by no means least important discoveries in medicine comes that of

## THERAPION.

This preparation (composed of the most potent and reliable Patent Medicines ever introduced), and has, we understand, been used in the Continental Hospitals by M. B. R. (Monsieur B. R.), Valerius, M. B. R., the well-known Chemist, and has been used by all who are regarded as reliable in such matters, including the celebrated Lallemand, and Koutz, by whom it was some time since introduced into the market. It is worthy of the attention of those who require such a remedy, as it is a most powerful and effective agent in the treatment of all diseases (like the famous phlegmon stone) being the object of much of the medical profession. It is a most powerful and effective agent in the treatment of all diseases (like the famous phlegmon stone) being the object of much of the medical profession. It is a most powerful and effective agent in the treatment of all diseases (like the famous phlegmon stone) being the object of much of the medical profession.

## THERAPION.

which completely cures all the most potent and reliable Patent Medicines ever introduced, and has, we understand, been used in the Continental Hospitals by M. B. R. (Monsieur B. R.), Valerius, M. B. R., the well-known Chemist, and has been used by all who are regarded as reliable in such matters, including the celebrated Lallemand, and Koutz, by whom it was some time since introduced into the market. It is worthy of the attention of those who require such a remedy, as it is a most powerful and effective agent in the treatment of all diseases (like the famous phlegmon stone) being the object of much of the medical profession.

## Intimations.

## A FAIR EXCHANGE.

Large sums of money are no doubt realized from simple speculation, but the great fortunes are derived from legitimate and honest business where the goods furnished are worth the price they bring. Certain famous business men have accumulated their millions wholly in this way. Prompt and faithful in every contract or engagement they enjoy the confidence of the public and command a class of trade that is refused to unstable or tricky competitors. In the long run it does not pay to cheat or deceive others. Even a child or a dog soon learns to distinguish between real friends and false friends. A humbug may be advertised with a noise like the blowing of a thousand trumpets, but it is soon detected and exposed. The manufacturers of

## WAMPOL'S PREPARATION.

have always acted on very different principles. Before offering it to the public they first made sure of its merits. Then, and then only, did its name appear in print. People were assured of what it would do, and found the statement truthful. To-day they believe in it, as we all believe in the word of a tried and trusted friend. It is palatable as honey and contains all the nutritive and curative properties of Pure Cod Liver Oil, extracted by us from fresh cod livers, combined with the Compound Syrup of Hypophosphites and the Extracts of Malt and Wild Cherry. It aids digestion, drives impurities from the blood, and cures Anemia, Scrofula, Debility, Indigestion, Throat and Lung Troubles, and Wasting Complaints. Dr. Louis W. Bishop says: "I take pleasure in saying I have found it a most efficient preparation, embodying all of the medicinal properties of a pure cod liver oil in a most palatable form." It stands in the front rank in the march of medicine. It is a scientific remedy and a food, with a delicious taste and flavour. No slow or doubtful action. "It cannot disappoint you." Sold by all chemists.

E. J. R.

## NOTICE is hereby given that the PEAK TRAMWAYS COMPANY have submitted to the Government revised plans showing the route of the proposed new Tramway from the Queen's Road end of Battery Path via Glenelg Valley to the Peak.

The route now proposed cuts the lower part of the North-eastern edge of the Public Gardens and then passing on, travels along their Western boundary, and within 100 yards of the Roman Catholic Cathedral, crosses Robinson Road about 30 yards to the East of its junction with Conduit Road. Continuing upwards it passes within 120 yards of Island Lot No. 1568 and adjoins the Peak Road opposite Island Lot No. 145, keeping after that to the Eastern slope of Victoria Peak.

Owners of adjacent property and the general public who may be interested in the effect of the Tramway upon the Public Gardens can inspect the plans and drawings at the office of the Director of Public Works for a period of one month from this date between the hours of 10 A.M. and 4 P.M.

By Command,  
F. H. MAY,  
Colonial Secretary.

Colonial Secretary's Office,  
Hongkong, 18th January, 1908. [147]

## WHERE ARE YOU GOING?

WHY TO CHAZALON & Co.,  
6, QUEEN'S ROAD CENTRAL.

Where I am sure to find the best

FRENCH BONDONS, LIQUEURS,

BURGUNDY, BORDEAUX, CHAMPAGNE and CIGARETTES.

Hongkong, 20th January, 1908. [153]

## Don't Worry. Don't Worry.

## WHY WORRY?

## CONSULT PHAROS.

## THE MYSTIC AND MODERN ASTROLOGER.

## YES, WHY WORRY?

About your Business, Health, Pleasures, Friends Abroad, your Love Affairs and Chances in Life.

Yes, Why Worry? Consult Pharos. He is able to advise you, console you and warn you. His ambition in this life is to help those in trouble, and must not be classed with the "run of the mill" Palmists who use their "Supposed Gifts" to make money. Pharos is independent of this. Willing and able to help all in trouble and relieve their anxiety to the best of his ability and experience.

PHAROS HAS A MESSAGE TO YOU.

You are anxious to put your son to a business that will prosper. Will your daughter be happy in her married life? You are in love? Have I made a wise choice in mate? Shall I take a partner into my business? Should I be wise in going abroad? All these questions Pharos can answer and advise by the aid of astrology. Why not put this to the test. Send 2/6 value 1/- and addressed, stamped envelope to—

PHAROS, DEPT. 14, 45, UNION STREET, GLASGOW.

With your Birth Date, Full Name and Title and Town or County of Birth (if possible, upon receipt of same Pharos will send you a written Test Horoscope.

With the above Pharos will send you FREE a WRITTEN FORECAST OF YOUR FUTURE.

## PICTORIAL POSTCARDS.

100 ASSORTED Scotch, English and Irish Views etc. for 1/6—

1000 and Comic Cards for 15/-

English and Continental Actresses hand-colored real glossy Photographs 25/- per gross

CHRISTMAS & NEW YEAR CARDS well ASSORTED

100 Cards for 5/- Value 14/- 24/- 44/- 64/- 84/-

100 ASSORTED Cards for 20/-

1 gross Jewelled Cards for 5/-

Foreign or Colonial Stamps not accepted. Kindly send Money Orders.

BRITANIA POSTCARD CO., 45, Union Street, Glasgow.

## Intimations.

## SCOTTISH MASONIC QUADRILLE ASSOCIATION.

A REGALIA DANCE will be held in the CITY HALL on FRIDAY, the 24th February. Dispensation to Wear Regalia for ENGLISH and SCOTCH MASONS has been received from the Dist. Grand Masters. No invitations to this dance will be issued after the Fifth Day of February.

A Launch will leave the Star Ferry Wharf at 3 A.M. to convey Kowloon residents back.

JOHN J. BLAKE,  
Hon. Secy.

H. K. K. K., 22nd January, 1908. [155]

## HONGKONG CLUB.

## NOTICE.

THE POST of COMPTROLLER to the above Club becomes vacant on the 31st March, 1908. Applications to fill the same will be received by the undersigned up to the 31st January, 1908.

C. H. GRACE,  
Secretary.

Hongkong, 8th January, 1908. [152]

## RACE BOOKS, 1908.

## FOR SALE PRICES:

LEATHER COVERED ..... \$2.00 each.  
CLOTH COVERED ..... 1.75 " "  
PAPER COVERS ..... 50 " "

May be had from:

NORONHA & CO.,  
Printers to the Hongkong Jockey Club.

KELLY & WALSH, LD.  
W. BREWER & CO.

Hongkong, 18th January, 1908. [159]

## OPEN CYCLE RACE.

## FIRST PRIZE:

New Humber Bicycle.

## SECOND PRIZE:

Fair Dunlop Tyres.

## THIRD PRIZE:

Pair of Inner Tubes, one Bell's, one Lamp.

ALL PRIZES PRESENTED BY

THE DRAGON CYCLE COMPANY.

The Scratch Road-race for the above prizes will take place on CHINESE NEW YEAR DAY over a course to be announced later.

ENTRANCE FEE ..... \$3.

ENTRIES CLOSE ON JANUARY 31, WITH

THE DRAGON CYCLE CO.,  
11, D'AGUIAR STREET.

Hongkong, 16th January, 1908. [156]



## Intimation.

A. S. WATSON & CO.,  
LIMITED.THE GREAT  
POPULARITYor  
Watson's

E

VERY OLD LIQUEUR

SCOTCH  
WHISKY

HAS BEEN ATTAINED BY ITS

CONSISTENT EXCELLENCE

or

QUALITY.

IT IS A

PURE MALT WHISKY

or

GENUINE AGE

AND

FINE MELLOW

FLAVOUR.

Per Case - - - \$16.50

A. S. WATSON & CO.,  
LIMITED.

WINE AND SPIRIT MERCHANTS.

ESTABLISHED A.D. 1841.

ALEXANDRA BUILDINGS.

Hongkong, 3rd January, 1908.

X MADAME!  
MARK THIS!  
BARGAINS!!!

Our Winter

CHEAP SALE

STYLISH &amp; SMART GOODS.

FOR

11 Days Only  
BEGINNING  
ON 20TH JANUARY.The whole of our Winter  
Stock to be cleared at  
25% off original prices.Ladies' Costumes, Coats,  
Mackintoshes, Hats,  
Furs, Blouses, &c.Children's Tailor-  
suits, Reffer Coats,  
&c., &c.

FOR 11 DAYS ONLY.

MADAME FLINT,

MANAGERESS.

"THE CITY OF PARIS."

No. 2, PEDDER STREET.

Beginning 18th January, 1908.

## The Hongkong Telegraph

HONGKONG, THURSDAY, JANUARY 23, 1908.

PLAGUE PREVENTION AND RAT  
EXTERMINATION.

Nothing can be more satisfactory to the general community of Hongkong than the knowledge that His Excellency Sir Frederick Lugard devoted a portion of his valuable time to a consideration of that perennial subject of discussion, the extermination of rats in order to prevent the propagation of plague. So frequently has this question been before the public, and under so many guises has it appeared, that those who were originally the prime movers in any scheme which promised to secure the end desired found their enthusiasm dwindling until it had almost reached the disappearing stage. Moreover, the subject had been thrashed out and argued backwards and forwards with such zeal and so exhaustively that it seemed as if the last word had been said on one of the thorniest problems connected with the local government of Hongkong. A variety of schemes has been proposed and many have been tried, but invariably they have been discarded as unworkable or unsuitable in a Colony mainly peopled by Chinese. When the supreme test of their application to native conditions has been made the schemes for the extinction of disease as conveyed from house to house through the medium of rats has been found to be miserably inadequate or offensive to the susceptibilities of a population which objects to official interference in any shape or form, particularly when that interference is connected with their domestic affairs. In the days of Hongkong's opulence, money has been squandered with a lavish hand on projects for the destruction of the rat tribe but, all to little or no effect, mainly it is believed owing to the aloofness of the Chinese, and the general discontent aroused as the result of the action of those charged with the operation of these projects. When Sir Frederick Lugard came to this Colony it is not to be supposed that he had any preconceived notions on the subject of Asiatic plague, and therefore he was in the fortunate position of bringing an open mind to the consideration of the question. The minute which His Excellency presented for presentation to the members of the Sanitary Board bears the imprint of acute reasonableness, perceptive deduction and frank recognition of the position in every line. In a modest aside he observes: "My suggestions are not heroic and are mostly homely." Is it not possible that the admitted failure of past proposals has been due to their heroic qualities? How could the Chinese coolies, whose personal and private affairs are most closely affected by sweeping reforms, be expected to understand the nature of movements whose purpose is not clearly palpable from the outset? If any scheme for the eradication of plague is to be successful it must attract by its simplicity the interest of the people most concerned—or, as the Governor would say, by its homeliness. There is not the slightest doubt that the methods for the rat-catching staff—for which they are fit to blame—have given such general annoyance that the results achieved have been practically nil, and where improved conditions seemed likely to accrue the apathy of the people and their passive resistance to official operations have rendered the general scheme nugatory and valueless. Sir Frederick Lugard's monograph is crammed with sound observations, although that is not to say it is above criticism. It is valuable on account of its extremely suggestive ideas—which may move others to advance proposals that may prove acceptable. With two of His Excellency's suggestions we fancy that doubts regarding their feasibility will arise. For example, were householders to acquire a partial and very questionable immunity from sanitary or building regulations because of their possession of cats the Colony would in time be swarming with hosts of ownerless, decrepit, and miserable animals which had been cast out by overburdened ratepayers. It may be the duty of mankind to multiply and replenish the earth, but when it comes to an army of starving and matted cats left to forage and fend for themselves, then it will be found that in the eyes of most people compliance with that order has been somewhat overdone. As for the idea that there should be a monetary reward for rats captured and destroyed by private citizens it will not bear scrutiny; and His Excellency was well advised when he cancelled that suggestion. With regard to the advisability of extending the use of poison, we devoted considerable space some months ago to a description of a new chemical compound known as Ratin—evidently the same substance as that which had been brought to the Governor's attention. It was stated that Ratin was innocuous except so far as rats were concerned, and that thereby the chief difficulty of dealing with poison for the rodent race, without leaving any loophole open for accidents to children or pet animals, was eliminated. The only thing was that Ratin would not keep for more than four to six

weeks and its particular virtue evaporated more quickly in hot climates than in cold. It was expected, however, that an agent would be found whereby the effectiveness of the poison could be retained for an extended period and probably, by this time, the difficulty has been overcome. In any case, it is the manifest duty of the Sanitary Board to make inquiries on the subject and to secure specimens of this rat-killer from London in order that experiments may be carried out with the object of proving its value. Sir Frederick Lugard in his minute referred to the means adopted to prevent the introduction of the vermin by way of vessels from foreign ports. The authorities have decreed that ships lying at the wharves should have funnel attachments on their mooring ropes under heavy penalties for contravention of the order. We have always been extremely sceptical of the efficacy of this method of preventing ingress to the unwelcome strangers. Usually the funnels are so wide that there is nothing to hinder a young and active rat from crawling through the smaller end of the funnel or climbing over it altogether. Hongkong rats are apparently able to walk on the roof, if all stories be true, and they certainly think nothing of scampering gaily along perpendicular pillars, no matter how highly burnished these may be. Then, again, why should a rat, and a Canton specimen of the tribe at that, endanger its spine by working its way through a funnel and along a tight-rope when it can walk quietly ashore by means of the half-dozen gangways which are placed for the convenience of passengers and cargo-carriers? The intelligence of the rats in these parts is abnormal, and if they are to be exterminated the simple methods which suffice in other countries will have to be abandoned for more ingenious devices whose purpose is less obvious. If the end the Government have in mind is to be achieved at all it must be through the co-operation freely offered and continuously given by the Chinese of all classes. Whenever the people are really interested the death-knell of the rat has been sounded. It is for the leaders of the Chinese in Hongkong—not the vociferous, self-advertising class, but the leaders and rulers of Chinese employees, whose word is law and whose actions inspire confidence—to come forward and determine how that should best be done and that aim realized. His Excellency has given magnificent proof of his keen attention to the claims of this vastly important question, and we trust his efforts in the direction of reform will secure that reward and success which they certainly deserve.

OWING to exigencies of space, Canton Notes are unavoidably held over. Renters telegrams, the report of the Diocesan School prize-giving and other local items are printed on page 7. On the same page will be found to-day's new advertisements. The report of the Public Works Committee on the proposed Typhoon Shelter appear on the 4th page. Page 2 contains the annual report of the Humphreys Estate and Finance Co., Ltd., and of the Hongkong Land Investment and Agency Co., Ltd.

## LOCAL AND GENERAL.

THE French mail of the 24th December was delivered in London on the 22nd inst.

STATION leave of absence has been granted to Major A. E. Hatch, 12th Baluchis, from 30th January to 15th February with permission to travel in neighbouring countries.

THE General Officer Commanding has authorised an increase of the Garrison Military Police by 1 N. C. G. and 4 men, from 13th instant, for duty at Kowloon.

THE more important changes in the Share List to-day are as follows:—

R. Ussell	.....	58 1/2
Shanghai Dock	.....	7 1/2 ex div.
Langkats	.....	1 1/2
Wm. Powells	.....	5 1/2 buyers

RETURNING to England from a two years' commission in the Far East, the officers and men of His Majesty's cruiser *Kent*, which has gained a high reputation for gunnery whilst serving under the flag of Admiral Sir A. W. Moore, Commander-in-Chief of the China Station, were paid off on 24th ult. at Chatham, and granted twenty-eight days' foreign service leave.

At the last meeting of the Public Works Committee, the Chairman explained that it was intended to locate the statue of the Duke of Connaught permanently in the position which it now occupies opposite Blake Pier and that, as the pedestal on which it stands is not considered a suitable one, it had been proposed to provide a new one. He submitted three designs, marked A, B and C. Members unanimously agreed to recommend that the design marked C be adopted.

FROM home papers received by the mail to-day we note the success of an ex-Queen's College scholar in England. We refer to Mr. S. L. Ho, who has just passed his first examination in his course of studies to qualify as a civil engineer. Mr. Ho was bracketed with thirty-five other students in the second class, only six having qualified for the first class. This young gentleman, who is a Hongkong boy, is pursuing his studies in St. John's College, Cambridge; he is a son of Mr. Ho Fook, the well-known comprador of Messrs. Jardine, Matheson & Co., Hongkong. Mr. Ho Fook has three other sons in England, all of whom are destined for the most liberal education.

## LEGISLATIVE COUNCIL.

A meeting of the Legislative Council was held in the Council Chamber this afternoon. Present—His Excellency the Governor, Sir Frederick Lugard, K.C.M.G., Hon. Mr. F. H. May, C.M.G. (Colonial Secretary), Hon. Mr. A. M. Thomson (Colonial Treasurer), Hon. Mr. W. Chatham, C.M.G. (Director of Public Works), Hon. Capt. Basil R. H. Taylor, R.N. (Harbour Master), Hon. Mr. A. W. Brewin (Registrar-General), Hon. Dr. Ho Kai, M.B., C.M.G., Hon. Mr. Wai Yuk, Hon. Mr. E. A. Hewitt, Hon. Mr. H. E. Pollock, K.C., Hon. Mr. Henry Keswick, Hon. Mr. E. Osborne and Mr. A. G. M. Fletcher (Clerk of Councils).

## ABSENT.

His Excellency Major-General R. G. Broadwood, C.B., (Officer Commanding the Troops), Hon. Mr. W. Rees Davies (Attorney General), MINUTES.

The minutes of the last meeting were read and confirmed.

## PAPERS.

The Colonial Secretary laid on the table the following papers:—

Report of the Subsidiary Coin Committee (No. 1 of 1908).

Kowloon-Canton Railway. (British Section.) Statement of Expenditure to 31st December, 1907. (No. 2 of 1908).

## FINANCIAL MINUTES.

The Colonial Secretary laid on the table Financial Minutes Nos. 1 and 2. It was agreed that they be referred to the Finance Committee.

## PUBLIC WORKS COMMITTEE.

The Director of Public Works laid on the table the report of the Public Works Committee, No. 1 of 1908. The report deals principally with the Harbour of Refuge for small craft. The recommendations of the Committee are printed in another section of this issue.

## KOWLOON-CANTON RAILWAY.

The Colonial Secretary laid on the table the resolution standing in my name, in the first instance, referred to the Finance Committee. The resolution was as follows:—It is hereby resolved that a sum of four million two hundred and fifty thousand dollars be advanced out of funds in the custody of the Government for the purpose of construction of the Kowloon-Canton Railway (British section) during the year 1908.

The Colonial Treasurer seconded and the motion was agreed to.

## CHINESE EMIGRATION.

The Colonial Secretary moved and the Colonial Treasurer seconded the first reading of a Bill entitled An Ordinance to amend the Chinese Emigration Ordinance, 1889.

The object of the Bill is to empower ships especially licensed for the South African coasts to take on board Chinese with repatriates to proceed direct to their port of discharge in North China instead of calling at Hongkong on the return voyage as is at present necessary. It is also desired to improve the means of safeguarding the interests of assisted emigrants and at the same time to relieve free emigrants from certain provisions as to residence in boarding houses which are found to be vexatious and unnecessary.

The Bill was read a first time.

## STATUTORY VISITATION ADMISSION.

On the motion of the Colonial Secretary, seconded by the Colonial Treasurer, the Bill entitled An Ordinance to facilitate the admission in evidence of statutes passed by the Legislatures of British possessions and of British protectorates, including Cyprus, passed the first reading.

## FIRE INSURANCE COMPANIES.

The Bill entitled An Ordinance, to authorize the removal of Fire Insurance Companies from the Register of Companies in certain cases, was read a first time, on the motion of the Colonial Secretary, seconded by the Colonial Treasurer.

## FIRE BRIGADE.

The Colonial Secretary moved the second reading of the Bill entitled An Ordinance to amend the Fire Brigade Ordinance, 1868. He said that, in addition to the reasons given in the object and reasons of the Bill, he would say that the object of that Ordinance was to give the Captain Superintendent of Police, who was also Superintendent of the Fire Brigade, the same powers over men under his command, in the Fire Brigade as he possessed over men under his command in the police force. It was well to bear in mind in this connection that all European members of the Fire Brigade, with the exception of two, were also members of the Police Force. Under the regulations which would be framed by the Governor-in-Council under that Bill when it became law, the two European members who were not members of the Police Force would not be made subject to the punishments which could be inflicted by the Captain Superintendent of Police, their rank being such as to render it undesirable that punishment be inflicted upon them. The remainder of the Brigade were Chinese, and it was extremely desirable that the Superintendent should have power to punish those Chinese firemen directly, himself, in the same way as he punished Chinese constables in the Police Force.

The Colonial Treasurer seconded, and the Bill was read a second time.

The Bill was then considered in Committee, and passed with a slight amendment.

## ADJOURNMENT.

The Council was adjourned until this day week.

## FINANCE COMMITTEE.

A meeting of the Finance Committee was held immediately after the meeting of Council, the Colonial Secretary presiding. It was agreed to recommend that the following votes be adopted by the Council:—

## INFECTED CARGO COMPENSATION.

A sum of three thousand four hundred and thirty-three dollars in aid of the vote, Sanitary Department, other charges, compensation for infected cargo destroyed.

## COMPENSATION TO QUATERS.

A sum of one thousand three hundred and three dollars as compensation to certain squatters whose removal was necessitated by the work of Kowloon Island Ltd. 1907.

## KOWLOON-CANTON RAILWAY.

## EXCESSIVE COST OF LINE.

## UNOFFICIAL MEMBERS' PROTEST.

The Chairman invited members' attention to the estimated expenditure paper dealing with the Kowloon-Canton Railway up to December 1908. In connection with that statement he informed members that the headings of Nos. 3 and 4 columns were not quite as clear as they might be. The heading of No. 3 column read "estimated total expenditure for 1907." The intention of the draughtsman was that the word "for" should mean "to the end of." It really should be to the end of 1907. The expenditure for 1906 was included in that for 1907. The same explanation applied to the next column. The approximate outlay for 1907 was included with the 1906 expenditure. If any member wished for any information concerning the items appearing under the separate heads he would be glad to give it.

Hon. Mr. Keswick—I wish, for some information. We are asked to vote the large sum of \$4,350,000, and I am not at all satisfied that we are getting full value for our money as things are going. Before voting on this proposed provision I should like to be satisfied that the work is getting on well, and that the estimates are as correct as can be otherwise at the end of 1908 we shall have another vote, and be called upon again to make up deficiencies above the estimate.

The Chairman stated, in reply, that, on the whole, the progress of the work to date was satisfactory. The main tunnel was not as far forward as the consulting engineer had estimated it would be; but of course in dealing with a tunnel, one was really working in the dark; and the tunnel had proved an extremely difficult one so far. He was glad to be able to say that recently the progress in the tunnel had improved very much, largely owing to the fact that the rock met with was more amenable. At the same time he thought it was right to state that the estimate on that particular item of the tunnel would largely exceed the original estimate. A fact there was no concealing the fact that the estimate for the whole railway was much larger than had been originally estimated for.

Hon. Mr. Keswick—Can you tell us what the original estimate for the railway was?

The Chairman—The original estimate was \$550,000.

Hon. Mr. Keswick—And at the end of this year we shall have expended \$7,161,461, and the railway will not be built? There has been a saving in regard to the work done on bridges.

Hon. Mr. Hewitt inquired if they had a special engineer in charge of that work.

The Chairman—The overseer at the work has had large experience in tunnels, and there is a superintendent who has been in the habit of organizing labour in tunnels.

Hon. Mr. Hewitt—I believe it was not so originally.

The Chairman—He came out about four or five months ago, but there is no question of the capacity of the engineer in dealing with tunnels.

Hon. Mr. Pollock asked for an estimate of what there was to pay for the building of the British section.

The Chairman—The estimate as it stands is \$8,000,000 exclusive practically of land. There are other items such as construction and engineering staff, a considerable expenditure for land preparation, station sites and buildings, such as the terminus station.

Hon. Mr. Pollock—Land includes land reclamation. That is a particularly big item. I think we should have some information about that.

The Chairman—I am unable to place you in possession of the facts. Since the original estimate was formed a larger view of the interests has been taken, and the Government has recently acquired by resumption Blackhead's property near Blackhead's Point. That of course means a very considerable sum of money.

Hon. Mr. Pollock—How much?

The Chairman—The formalities are not actually concluded. I would rather not mention the figure.

After some discussion on the question of a new alignment necessitating a re-survey and an expenditure of \$15,000.

Hon. Mr. Keswick observed that the salaries seemed to have increased, and there was a large expenditure on quarters, office expenses, medical charges, etc.

The Chairman—Of course, the salaries increase as the work progresses. We want more men in the tunnel the further we get in. The expenditure in regard to the quarters is accounted for in this way. Shatin was found to be very malarious, and it was decided on medical advice that the European staff quarters should be at a considerable height above the level of the valley. That necessitated a larger increase in expenditure.

On the question of cost, Mr. Keswick remarked that they found themselves liable for £1,000,000 sterling for a line 22 miles long; that seemed to him an exceedingly large sum. He understood the country was difficult and the tunnel would be exceedingly expensive, but it still seemed to him that some economies might be made in the supervision of the work. A million seemed an extraordinary sum for 22 miles of railway.

The Chairman—I am not an engineer, but this has been pronounced one of the most difficult pieces of railway work in China.

In reply to questions by Mr. Hewitt, the Chairman stated that the engineer-in-chief estimated the completion of the railway for March, 1910.

After some further discussion, the Chairman intimated that there was no desire to rush the vote through in any way. If members wished for further information, they gave Government particular points on which they desired information he would inform His Excellency of their desires, and His Excellency would only be too anxious to give all the information in his power, but it would be useful if they could have some definite point on which information was desired. He promised to report the proceedings to His Excellency, and undertake to get out a statement which he hoped would satisfy the members.

The Committee then adjourned.

## Telegrams.

## "HONGKONG TELEGRAPH" SERVICE.

## SHANGHAI WATCH CLUB.

## ORDERED TO BE CLOSED.

MANAGER THOMAS PROSECUTED FOR ALLEGED FALSE PRETENCES.

[From Our Own Correspondent.]

Shanghai, 23rd January, 12.5 p.m.

The Shanghai Watch Club has been ordered to be closed.

Mr. H. P. Wilkinson, Crown Advocate, charges Mr. Thomas, manager of the "Club," for alleged false pretences.

In its editorial "Notes and Comments," on the 16th inst., the *N. C. D. News* observes:—We are glad to see that the attention of the Council has been drawn as last to the Watch and Cycle "clubs" of which it will be a surprise to many residents to learn that there are no less than seventy already in existence in the Settlement. The circumstance that one of these has defaulted emphasizes the fact that these so-called clubs belong to a species of institution that can be honestly managed, but frequently is not. In the mushroom growth of innumerable imitations their chief characteristics, they are seized upon as offering a promising "get-rich-quick" system, and sooner or later the public is let in. Our Municipal bye-laws empower the Council to withhold its sanction from lotteries; throughout the United States, the fate of clubs of these "clubs," they have been pronounced to be lotteries within the meaning of the law and as such are prohibited. They have figured in the Philippines, but only to be closed down. In Shanghai they would seem to have found fertile soil. It remains to be seen whether the community will benefit by the experience of the United States and be rid of them in time, or will wait for some unfortunate fiasco among the lesser fry before taking action. At least the interests of the public should be safeguarded by requiring petty concerns whose sole business consists in receiving money in instalments over a stated period before meeting their liabilities to make a substantial deposit in a local bank as a proof of bona fides.

## SHANGHAI MUNICIPAL ELECTION.

## THE "N. C. DAILY NEWS" AGAINST GERMAN AND AMERICAN CANDIDATES.

A WORKABLE COUNCIL DESIRED.

[From Our Own Correspondent.]

Shanghai, 23rd January, 12.5 p.m.

In a leading article this morning, the *North-China Daily News* urges the Municipal electors to throw out one German and one American candidate, with a view of ensuring a workable Council during the coming year.

Dealing with the subject of the Municipal election, on the 16th inst., our Shanghai contemporary announced that eleven names had been submitted for the nine seats, and on January 23 and 24 the community would be called upon to make its selection. Of the eleven nominees seven have served on the outgoing Council, of which the two members who do not seek re-election are Mr. E. B. Skottowe and Mr. J. C. Hanson, both due to take prolonged leave this spring. The new candidates for municipal honours are Mr. W. A. C. Platt, Mr. R. S. F. McBain, both former Councillors, Herr C. Stephanius, who must be regarded as a rival for the German seat, and Mr. D. Coath, who represents new American blood. On the face of things the issue is one of personal predilection. The Settlement has the satisfaction of knowing that there are at least eleven men capable and willing to serve it, and the outgoing Council receives a tacit endorsement of its policy in so far as the new nominees may be supposed to be candidates for the main for the two vacancies.

This evening at the Union Church Literary Club, a debate will be opened by Mr. Frank Browne on "Woman's Suffrage." The opposers will be Messrs. Gaster and Perkins, and the chair will be taken at 9 p.m. sharp. The debate is open to the public and it is hoped all those who intend to be present will be punctual.

As the result of fishing with the aid of dynamite three days ago, a Chinaman named Wong Ip Fok, was very seriously injured. On being received at the Government Civil Hospital yesterday, he stated that he had been fishing in Chinese waters, using dynamite instead of the orthodox line, when a charge exploded in his hands. His right hand was shattered and had to be amputated above the wrist; his left hand was greatly bruised and he also received injuries to his face and head.

An unemployed Indian, who was formerly engaged on the railway, was received at the Government Civil Hospital yesterday suffering from wounds on the head and stomach. It is believed that he became insane, and, having decided to commit suicide he hacked himself on the head inflicting several deep wounds. Finding that method of quieting his torments, he obtained a knife and lightly stabbed himself on the stomach. None of the wounds were serious and after being attended to by the medical staff he was sent to his home.



# HONGKONG'S SUBSIDIARY CURRENCY.

## RECOMMENDATIONS BY COMMITTEE OF INQUIRY.

### GREAT DIVERGENCE OF OPINION.

#### MATTER TO BE DISCUSSED BY EXECUTIVE AND LEGISLATIVE COUNCILS.

At the meeting of the Legislative Council this afternoon the report of the Subsidiary Coin Committee was laid on the table as sessional paper No. 1 of 1908. The minority report and minutes by the Governor were incorporated in the same paper. As this vexed question of the subsidiary coinage of the Colony is of general interest we reproduce in the present issue, as much of the paper as will afford a clear conception of the difficulties surrounding any scheme for the reform of the local subsidiary currency. The draft bill referred to in the majority report (A) for want of space and time, has been omitted:—

#### THE GOVERNOR'S NOTE.

**OBJECT OF COMMITTEE.**  
The object of appointing a Committee is not only to advise Government on the steps to be taken, but also to dispense of impracticable proposals by pointing out why they are impracticable, and so to put an end to controversy by the weight attaching to the opinion of so representative a body of public and expert opinion.

#### PRESENT PROPOSALS.

2. Some of the courses suggested, with the arguments advanced against them, are, very briefly as follows:—

(a) That Hongkong subsidiary coinage being in excess of currency demands should be gradually withdrawn; (b) By exporting all received by Government as revenue within the limits of legal tender; (c) By purchasing and exporting additional coins as revenue permits.

**Arguments:** Assuming that Hongkong coins are thus rehabilitated will this benefit trade even though it benefits revenue? By depressing the discount on subsidiary coins received as revenue since subsidiary Chinese coins flow into the Colony and form a medium of exchange, even though not legal tender? Some maintain that withdrawal would stimulate the influx of Chinese coins and if these are debased others hold that they would out the better coinage. Others again think that as Hongkong coins would be worth more here than in Canton they would be attracted here. If Hongkong coins were rehabilitated the economic position of Hongkong vis-à-vis Canton would be improved, and debased coin might cease to be accepted?—or be heavily discounted.

(d) That Hongkong subsidiary coins should be made unlimited legal tender and Government should redeem at par.

**Arguments:**—A Government pledge would be necessary for the currency would fall to the intrinsic value of the subsidiary coins? Result would be that the dollar would be finally ousted and subsidiary coins would be sole currency? The pledge cannot be given because there are insufficient dollars to redeem with. The Government liability would be unknown and enormous, as all Hongkong coins in Canton would be collected and sent home? There is no obligation on Government to take so drastic a step as to import coins in accordance with the demand at the time.

(e) That paper money should be issued in accordance with Mr. Mansfield's proposals. Enclosure 1.

**Arguments:**—That such a proposal could not be adopted until all Hongkong coins had been redeemed?

(f) That importation and circulation of Chinese coins should be made illegal—vide Straits Ordinance.

**Arguments:**—That this would dislocate trade with China which is essential to Hongkong? That the Chinese might retaliate; that it would cause great discontent among the Chinese here; would lead to an excessive number of prosecutions; that it would constitute an arbitrary interference with the rights of the individual to part with his goods for whatever consideration he likes; that though importation cannot be prohibited possession or circulation cannot be unless it is fraudulently tendered (e.g., debased or spurious coins) and that it would amount to confiscation of private property which is admissible only if the article is deleterious to morals or dangerous (e.g., liquor, arms, opium, &c.). Prohibition of importation is impracticable to a free port and without special and costly preventive services?

(g) That the remedy lies in hands of individuals, who should refuse Chinese coins or accept only at heavy discount.

**Argument:**—That a complete boycott is not feasible and if partial the firm refusing drives custom to its rivals. In any case custom is lost.

(h) That nothing should be done, and that subsidiary coins will then depreciate to the extent of their difference in bullion value from the dollar and remain stationary? It will then no longer pay the Canton mint to coin them.

**Argument:**—That depreciation is largely due to temporary causes which will right themselves?

#### ACTION OF CHINA.

3. As the action of China is the originating cause of this difficulty, it would be well for the Committee to record their view as to what course of action it is desirable and practicable to pursue in Peking, not being contrary to the interests of that Government—vide Minute at Peking. The argument there set out is I believe endorsed by Sir A. Jackson. It is a new

coinage is issued it must of course be of intrinsically less value than bar silver to avoid melting, and subsidiary coins should not be more than 2% less than dollars? As a new Viceroy is expected shortly it is advisable that this Government should decide exactly what it considers that it is practicable to urge. Enclosure 2.

**Argument:**—That subsidiary coin is only a token and if made of the same proportionate weight and fineness as the standard it might be melted down at any time according to value of bullion fluctuating, and thus involve great loss to Government. *Per contra*, it is urged that both the standard and subsidiary silver coins should have sufficient alloy to prevent their rising above bullion value.

The proportionate weight and fineness in India of silver coins less in value than the rupee is the same as the rupee, but on the other hand it is argued that the rupee itself is no longer the standard and is now itself a subsidiary coin.

#### PROCEEDINGS.

4. The proceedings of the committee need not, I think, be private, but their recommendations should obviously be confidential until Government has decided upon the course of action it proposes to adopt.

It will be for the committee to decide how far they can make their meetings open to the public without endangering free discussion and interchange of opinion. The object may perhaps be attained by a précis of the discussion of each day being communicated to the Press. Care will be taken to keep down contingent expenses (reporting, typewriting, etc.) to the lowest practicable limit.

20th August, 1907. F. D. LUGARD.

(Enclosure 1.)

MR. MANSFIELD'S SUGGESTIONS.

1. That either the Government or the Banks issue fractional notes of different sizes for 50, 25, 10, and 5 cents in sufficient quantity for the requirements of the Colony. Such notes to be legal tender for any amount.

2. That a proclamation be made that from a certain fixed date no subsidiary coins of any kind can be accepted in the Government offices, all foreign enterprises using similar notes.

3. That the Government when that date expires undertake to repurchase for melting Hongkong subsidiary coinage at such premium over its intrinsic value as the Colony estimates it can afford. It is believed that this will have the effect of gradually drawing back to the Colony much of the Colonial coin on the market and will have a tendency to further depreciate the Canton coins which, suffering under so many disabilities, will be likely to leave the Colony. Once the trams, sampans, chairs, rickshaws and the large shops generally insist on all payments being in notes, the debased Canton currency will be at once relegated to the small Chinese shops and even from them would probably in time disappear.

The inconvenience of the very small notes is acknowledged, but Japan has or had them to as low a value as ten. To obviate this in some degree the 5 cent notes might be made very thin and be bound in little books of 20 like the ricksha tickets in Shanghai. After being torn out, however, the loose ones should be redeemable at once at some special office. Arrangement should also be made that all dirty and ragged fractional notes passing through the Government offices and Banks should be destroyed and new ones issued in their stead.

The argument that the Government is to blame for the excessive issue of subsidiary coinage and cannot therefore in justice demonstrate its issue except by calling it in at par will not hold water. It implies that the Government knowingly and for the sake of profit flooded Hongkong and the mainland with subsidiary coinage, but this was not the case. To the writer's own knowledge, and the fact will be borne out by the Treasury archives, before the opening of the Chinese mints it was found impossible to keep in Hongkong sufficient subsidiary coinage for local use, and the Home Government grudgingly supplied perhaps a quarter of the amounts indicated for, so that the Colony was always on short commons, which the public greatly resented. The ports of Shanghai, Foochow, Amoy, Swatow and many others would have taken enormous quantities of the coinage if the Banks could have obtained them from the Treasury. They met a very obvious want in China, which should have been supplied long ago by that country. It is estimated that some 43 million dollars worth of coins were issued, but it must be remembered that those are scattered over many thousands of square miles, and the writer does not believe that one-tenth of that amount will ever return to Hongkong even though a good premium were offered for them.

Enclosure 2.

EXTRACT FROM MEMO BY SIR F. LUGARD. (UNK, 1907.)

It is clearly of importance as regards the future, that continual efforts should be made by H.M.B.'s Minister at Peking to urge the

Chinese Government to give effect to Article 11 of the Mackay Convention. In this connection it seems to me that a suggestion might be made that when reforming the currency, China should undertake to make all subsidiary coinage minted of the same millimal fineness as the dollar and of equal proportional weight, e.g., 10-cent pieces must equal one dollar in weight, in order to abolish the disparity in bullion or intrinsic value between the two. This would do away with the existing discount, which naturally tends to approximate to the difference between the intrinsic and the face value. In order to encourage the Chinese Government to do this it might be worth while to give an undertaking that if, and when China adopted this proposal, any subsidiary British coinage issued in future should also be of the same fineness and proportionate weight as the dollar. If China could go further, and agree to re-mint the subsidiary coinage already circulated by her mints, we might undertake to do the same. The advantage thus made would be great, and assuming that not more than 20 million dollars worth of Hongkong subsidiary coinage is still in circulation, the cost of redeeming and replacing it would not be an excessive price to pay for the benefit.

#### TREASURY.

Hongkong, 6th November, 1907.  
Sir,—As chairman of the committee appointed to inquire into the matter of the condition of the subsidiary coinage of the Colony I have the honour to transmit for consideration of the Government the following documents, viz:—

A.—Report of four members.  
B.—Draft Bill suggested in paragraph 14 thereof.

C.—Notes on the Governor's minute of the 20th August, 1907.  
D.—Report by Mr. J. Armstrong.

E.—Note by the Hon. Mr. E. Osborne who had left the Colony before the third meeting.  
F.—Report by three members of the committee.

G.—Reporter's notes of proceedings at the three meetings held. [Not printed.]  
I may add that it would only mean an interminable controversy, if the signatories to Report A were to reply to the comments of the signatories to Report F on the former.—I have, etc.

A. M. THOMSON, Treasurer.

The Honourable The Colonial Secretary, &c., &c.

#### THE MAJORITY REPORT.

We, the undersigned members of the committee have the honour to report as follows:—

1. Subsidiary coinage is solely for the purpose of the internal retail trade and other small transactions within the Colony.

2. It is true that in past years the Hongkong subsidiary coinage played a considerable part in the trade with Canton, but judging from the trouble that has arisen in the last two years it would appear to have been an economic mistake to have directed it from its true purpose.

3. Just what quantity may from time to time be required is a matter of experience, but the chief test is the value of the coin in the open market.

4. It may however be taken that 5% per head is sufficient in a community whose standard coin is \$1 and where the legal limit of tender is 5%.

5. Taking roughly the population of the Colony at 400,000 it would, therefore, appear that a total of \$2,000,000 at any one time is sufficient and assuming that the life of a coin is 20 years (which owing to past circumstances cannot yet be verified) a supply of \$100,000 a year would be ample under present circumstances.

6. The issue outstanding during the last 40 years is \$300,000 of which about \$30,000,000 were issued in the ten years prior to 1905 and the coinage has been during the past 20 years at a discount varying from 9 per cent. to 4 per cent.

7. From these facts it may be justly inferred that there is in existence under present circumstances a large over-issue of Hongkong subsidiary coinage.

8. For reasons unnecessary to state in detail it is obvious that it is desirable to rehabilitate the currency of the Colony and it only remains to consider the best practicable means for this purpose.

9. There is no necessity to demonetise the existing currency as any scheme for the substitution of a new coinage must necessarily prove more expensive than the rehabilitation of the present coinage unless, indeed, it is proposed to repudiate a proportion of the latter, a course which is most objectionable as tending to lower the credit and honour of the Colony.

10. One of the circumstances of the present depressed condition of the subsidiary coin is, notoriously the excessive circulation in the Colony of small coins struck at the Canton Mint.

11. These do not really constitute a subsidiary coinage as there is no legal standard in existence to which they are subsidiary, but are simply an imitation of the currency of the Colony manufactured by a local Government utterly ignorant of the first principles of political economy in regard to currency. The "par" value of these coins is therefore simply and solely their value as bullion.

12. From a political point of view it would be desirable to exclude this alien coinage which is to a certain extent responsible for the depression in the market value of the Colony's money.

13. Also, from the retail point of view at all events, there can be no objection to its exclusion on commercial grounds provided that a supply of Hongkong coinage is maintained, and there is no evidence to show that any loss or damage would occur to international trade on account of such exclusion.

14. Taking this last point first it is advised that an Ordinance be put into force giving the Governor-in-Council the powers already conferred on the Governor-in-Council of the Straits Settlements, with a view to the prohibition of the import and circulation of all alien subsidiary coinage whatever (imitation or other), with the exception of the Chinese Cash, (which, however, might, possibly, be considered a standard, and not a subsidiary coin).

15. It is understood that at present Government is now withdrawing from circulation all subsidiary coin received as revenue and that the Secretary of State has been recommended to permit the redemption at market value of a sum not to exceed \$1,000,000 yearly.

16. We approve of this course, (which, however, will be a failure unless prohibition is enforced), provided that, when the coinage reaches par value, redemption should be stopped and a reserve of coin be kept in the Colony so as to prevent a shortage in the supply and avoid the possibility of the coinage being at a premium. As an additional precaution, the export of Hongkong coin might be prohibited. Application for coin from such reserve should be strictly kept down to a maximum for each application.

17. It is recommended that, whatever course of action be adopted by Government, due notice be given to all parties concerned except perhaps in the case of the import of alien coins. If any hardship arose in particular instances due consideration would be given to such.

18. It does not appear that there would be any advantage to the Colony to attempt to come to agreements on this question with the authorities either at Canton or Peking.

19. Until China has properly initiated a currency in accordance with economic principles, no proper agreement is even possible and it is always probable that if one were entered into it would be evaded or abrogated according as profit therefrom might accrue to the authorities concerned.

20. The regulation of its subsidiary coinage is purely an internal affair of the Colony and it would appear to be, at least, undignified for this Government to rely on assistance from a Foreign Power to ensure its rehabilitation even if such assistance were practicable and forthcoming.

21. Whatever the Government can do, however, to urge the inception of a proper currency in China should be done.

A. M. THOMSON, Chairman.  
ROBT. SWEAN.  
A. J. RAYMOND.  
WEI A YUK.

26th October, 1907.

REPLY OF THE 4 MEMBERS WHO SIGNED "A."  
[Notes on Governor's Minute of 20th August, 1907.]

Para. 2.

(1) See Report A.

(2) This would result in the exclusion of the dollar and the acceptance of the debased coinage as the standard of the Colony at its true value say 11 per cent. discount.

(3) Mr. Mansfield's proposals involves repudiation which cannot be recommended.

The note issue would involve great trouble and expense.

If made unlimited legal tender the subsidiary coinage would become the standard of the Colony.

(4) See Report A.

(5) The community has already been informed by a public notification as to the true value of Canton coin.

(6) The Canton mint may always be ready to issue whenever the price makes it profitable. The variation in the internal exchange of the Colony makes it imperative for the Government to take every practicable step towards rehabilitation.

Para. 3. The standard in any country is practically worth only its bullion value. The more alloy therefore the lower the value of the standard.

The rupee is supposed to be exchangeable in India at the rate of 15 to the £. This price is far above its bullion value and it must therefore be in these circumstances considered a subsidiary coin, or token.

Enclosure 2. It is essential to a currency that the subsidiary coin cannot be of the same bullion value proportionately as the standard coin otherwise it would cease to be a subsidiary coinage in the true sense.

A so-called subsidiary coinage of the same value as the standard would entail a large initial expense with constant recurrence, and is unnecessary if the present coinage is rehabilitated.

It is perfectly certain that China would never listen to the proposal.

A. M. T.  
R. S.  
A. J. R.  
W. A. YUK.

MINUTE BY HIS EXCELLENCY THE GOVERNOR.

Hon. Colonial Secretary.

As you will see from my Memo., I desire the Committee to meet once again and give somewhat fuller explanation on points raised. My questions are clear and precise, and I hope the chairman will confine discussion to them and take them serially, and that the minority will record their view even where they do not agree with the majority. When I have the committee's reply to this memo.—which I think can be quickly answered—I will consider the question in Executive Council. The memo. should be printed and distributed, so that each member may consider the points and come to the meeting with his views clear on each issue.

F. D. L.

10th November, 1907.

The memo. referred to in the foregoing minute is as follows:—

The papers submitted consist of recommendations by four members (which I will call the majority report), of a second set of recommendations (the minority report) and separate notes by two members (the independents). I will take the principal recommendations and endeavour to show where divergence or consensus of opinion was expressed, and in what particulars Government would desire fuller information.

(Continued on page 2.)

legal tender in this Colony, except with a permit.

30th October, 1907.

The following Note is by the Hon. Mr. E. Osborne who had left the Colony before the third meeting:—

I agree entirely with the Chairman's Memorandum, as being the only practical solution of the difficulty, and consider that the Colony should either protect its currency or else relinquish it altogether, and do what Shanghai, Hankow and other commercial centres do.

At the same time, I recognise that if the Chinese Government will withdraw from circulation some of the coins already in existence and promise to regulate its future issues so as to maintain the value of its small coin, the difficulty solves itself without any action on our part, and for that reason I would support Mr. Law's resolutions provided a time limit (say 6 months) be added, at the expiration of which, if the Chinese have accomplished nothing, it is agreed that the Chairman's recommendations be adopted.

EDWARD OSBORNE.

14th October, 1907.

THE MINORITY REPORT.

We the undersigned members of the committee appointed by His Excellency the Governor to inquire into the causes of the depreciation of the subsidiary coinage of the Colony and to advise as to what means can be taken, with due regard to the interests of trade, to rehabilitate such coinage, while admitting that the amount of British subsidiary coin, as estimated by the chairman of the committee to exist in Hongkong, is probably sufficient for the requirements of the Colony cannot admit that it is desirable, in the first instance, to take any action that might result in the further depreciation of the subsidiary coinage of the Two Kwang provinces as these coins form the chief, if not the only, medium of payment by the consumers of goods bought and exported from Hongkong for use in these provinces.

The trade of Hongkong is so closely connected with that of the Two Kwang provinces that any attempt to rehabilitate the Colony's subsidiary coinage by restricting or prohibiting under penalties the use of Canton coins in Hongkong, as provided for in the proposed Ordinance submitted by the chairman, would in the opinion of the undersigned bring about a further depreciation of these coins and might lead to financial disabilities, if not to measures of retaliation by the Canton authorities, adversely affecting the trade of the Colony.

It is, therefore, advised by the undersigned that the Government of Hongkong should—

1. Impress on the Imperial Chinese Government through the usual official channels the urgent necessity of China reforming her Currency in terms of the Mackay Treaty.

2. Enter into negotiation with the Imperial Chinese Government through H. B. M.'s Minister at Peking with a view to arriving at an agreement whereby the Chinese Imperial Government undertakes:—

(a) to discontinue the output of subsidiary coin from the Canton Mint until such time as both Hongkong and Canton subsidiary coins reach par value, (which in opinion of the undersigned they will do very soon under these circumstances);

and (b) In consideration of the Hongkong Government agreeing not to issue more subsidiary coin except for the Colony's own use, to only mint new subsidiary coins sufficient to meet the public demand so as to maintain the face value of their coins at par.

The undersigned further desire to recommend to the Government that the second proposal should be taken in hand first, and they respectfully suggest that a capable official of the Colony be seconded without delay to proceed to Peking to furnish H.B.M.'s Minister with detailed information during the negotiations.

In the event of the negotiations being without result the undersigned recommend that the Committee be called together again six months hence to further deliberate.

A copy of the chairman's report, which has been supplied to us, is attached bearing our annotation.

D. R. LAW.  
A. G. WOOD.  
J. R. M. SMITH.

Hongkong, 5th November, 1907.

TO LET.

NO. 4, 6, & 8, LEIGHTON HILL ROAD.

Apply to—  
HONGKONG AND KOWLOON LAND AND LOAN CO., LD.,  
No. 8, Queen's Road West.  
Hongkong, 14th January, 1908. [152]

TO LET.

A HOUSE IN KNUTSFORD TERRACE, KOWLOON.

Apply to—  
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD.  
Hongkong, 1st December, 1907. [69]

TO LET.

NO. 5, MORRISON HILL.

ONE FOUR-ROOMED HOUSE, at PRAYA EAST, near East Point.

Apply to—  
JARDINE, MATHESON & Co., LD.  
Hongkong, 19th October, 1907. [60]

TO LET.

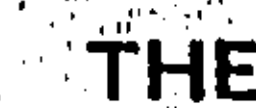
OFFICES on TOP FLOOR, No. 5, COMMAUGH ROAD, facing the Cricket Ground.

HATHERLEIGH, Conduit Road.  
A HOUSE in CLIFTON GARDENS, Conduit Road.

OFFICES in YORK BUILDING.  
GODOWNS in PRAYA EAST, BLUE BUILDINGS, and No. 36, DES VOUTES ROAD next to the Hongkong Hotel.  
FLATS in MORRISON TERRACE.

Apply to—  
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD.  
Hongkong, 19th December, 1907. [64]

#### Intimation.



THE ROBINSON PIANO CO., LD.

INVITE INSPECTION

OF NEW STOCK

Steinway, Bechstein, Russell, Krauss, Romhildt, Werner & Co.

GRANDS & UPRIGHTS

BUILT UNDER OUR PERSONAL SUPERVISION

EMBROIDING 30 YEARS' LOCAL EXPERIENCE.



Hongkong, 5th December, 1907. [135]

#### To Let.

TO LET.

OFFICES at No. 14, Des Vaux Road Central (formerly occupied by Messrs. Shewan, Tomes & Co.)

Apply to—  
THE COMPASS ROPE DEPARTMENT, Jardine, Matheson & Co., Ltd.,  
Cantonment Road Central.  
Hongkong, 22nd January, 1908. [152]

TO LET.

NO. 4, 6, & 8, LEIGHTON HILL ROAD.

Apply to—  
HONGKONG AND KOWLOON LAND AND LOAN CO., LD.,  
No. 8, Queen's Road West.  
Hongkong, 14th January, 1908. [126]

TO LET.

A HOUSE IN KNUTSFORD TERRACE, KOWLOON.

Apply to—  
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD.  
Hongkong, 1st December, 1907. [69]

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Hongkong, 19th October, 1907. [60]

TO LET.

OFFICES on TOP FLOOR, No. 5, COMMAUGH ROAD, facing the Cricket Ground.

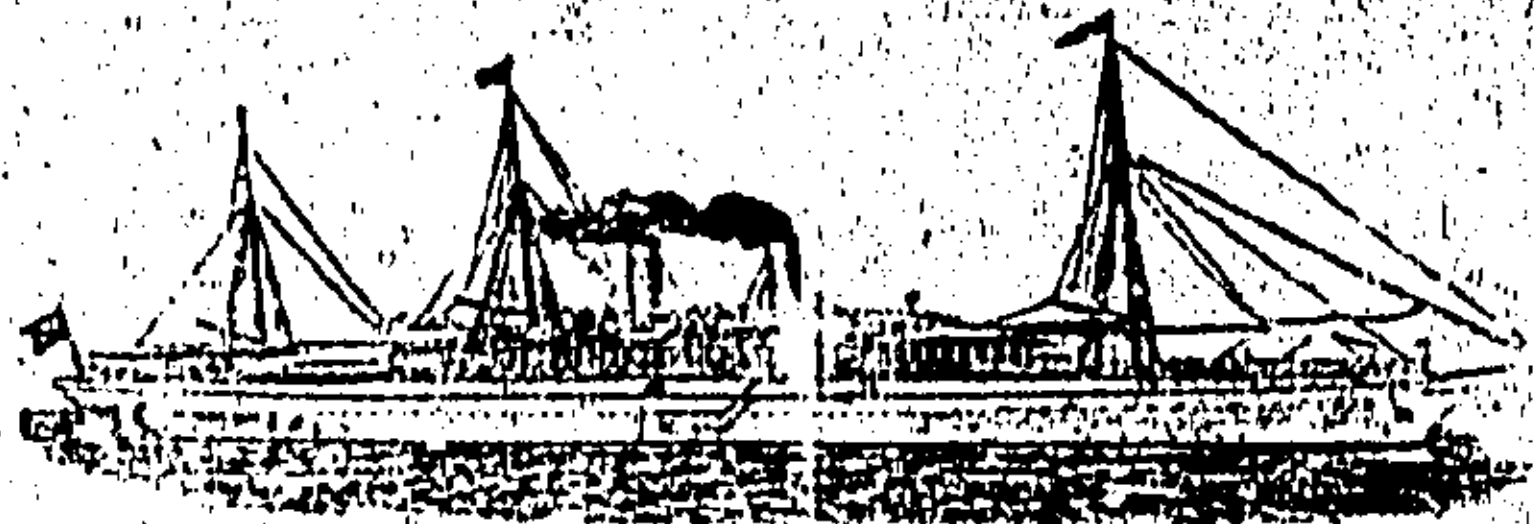
HATHERLEIGH, Conduit Road.  
A HOUSE in CLIFTON GARDENS, Conduit Road.

OFFICES in YORK BUILDING.  
GODOWNS in PRAYA EAST, BLUE BUILDINGS, and No. 36, DES VOUTES ROAD next to the Hongkong Hotel.  
FLATS in MORRISON TERRACE.

Apply to—  
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD.  
Hongkong, 19th December, 1907. [64]



## Shipping—Steamers.

CANADIAN PACIFIC RAILWAY COY'S  
ROYAL MAIL STEAMSHIP LINE.

**Luxury—Speed—Punctuality.**  
The only Line that maintains a Regular Schedule Service of under Eleven Days across the Pacific is the "Empress Line." Saving \$5 to 10 Days' Ocean Travel.  
11 Days YOKOHAMA to VANCOUVER. 18 Days HONGKONG to VANCOUVER.

PROPOSED SAILINGS. (Subject to Alteration).

R.M.S.	Tons	LEAVE HONGKONG	ARRIVE VANCOUVER
"MONTEAGLE"	6,163	WEDNESDAY, Jan. 29th	Feb. 22nd
"EMPEROR OF JAPAN"	6,000	THURSDAY, Feb. 13th	Mar. 2nd
"EMPEROR OF CHINA"	6,000	THURSDAY, Mar. 13th	Mar. 2nd
"EMPEROR OF INDIA"	6,000	THURSDAY, Apr. 9th	Apr. 27th
"MONTEAGLE"	6,163	WEDNESDAY, April 22nd	May 10th
"EMPEROR OF JAPAN"	6,000	THURSDAY, May 7th	May 25th

"EMPEROR" steamers will depart from Hongkong at 4 P.M. Intermediate steamers at 12 Noon.

The Quickest route to CANADA, UNITED STATES and EUROPE, calling at SHANGHAI, NAGASAKI, (through the INLAND SEA OF JAPAN), KOBE, YOKOHAMA, and VICTORIA, B.C., and at QUEBEC, with the Company's New Patriotic "EMPEROR" Steamships, 14,500 tons register. The through transit to LIVERPOOL being 22 days, from YOKOHAMA, and 29 days from HONGKONG.

Hongkong to London: 1st Class ..... 1/4 St. Lawrence River Lines or New York £71.10.  
Hongkong to London: Intermediate on Steamers, and 1st Class on Railways, via St. Lawrence £40. VIA New York £12.

First-class rates include cost of Meals and Berth in Sleeping Car while crossing the American Continent.

R.M.S. "MONTEAGLE" carries "Intermediate" passengers only, at Intermediate rates, affording superior accommodation for that class.

Passengers booked through to all points in AROUND THE WORLD.

SPECIAL RATES (First class only) granted to Missionaries, Members of the Naval, Military, Diplomatic and Civil Services, and to European Officials of the Service of China and Japan Governments.

For further information, Maps, Routes, Hand Books, Rates of Freight and Passage, apply to  
D. W. CRADDOCK, General Traffic Agent for China,  
Corner Pedder Street and Praya.  
Hongkong, 16th January, 1908.

## INDO-CHINA STEAM NAVIGATION CO., LD.

(PROJECTED SAILINGS FROM HONGKONG.—SUBJECT TO ALTERATION.)

For	Steamship	On
MANILA	YUENSANG	FRIDAY, 24th Jan., 4 P.M.
SHANGHAI	WINGSANG	FRIDAY, 24th Jan., 4 P.M.
SHANGHAI	CHOYBANG	SATURDAY, 25th Jan., Noon.
SINGAPORE & SOERABAYA	ONSANG	SATURDAY, 25th Jan., 3 P.M.
SINGAPORE & CHEFOO	CHONGSHING	SATURDAY, 25th Jan., 4 P.M.
SINGAPORE, PENANG & CALCUTTA	FOO SANG	TUESDAY, 28th Jan., 3 P.M.
SINGAPORE, PENANG & CALCUTTA	LOO SANG	FRIDAY, 31st Jan., 3 P.M.
MANILA	LOO SANG	FRIDAY, 31st Jan., 4 P.M.

FOR THE MANILA CARNIVAL.  
A Special reduced fare of \$50 for Return Passages will be issued for our Sailings to Manila of the 24th and 31st inst., available for 30 days from date of issue. Passengers taking out these tickets are exempt from the Head Tax.

Three Steamers have a prior accommodation for First-class Passengers, and are fitted throughout with Electric Light.

Taking Cargo on through Bills of Lading to Yangtze Port, Chefoo and Tientsin via Ching-Wan-Tau.

For Freight or Passage, apply to  
**JARDINE, MATHESON & CO., LD.,**  
General Managers.  
Hongkong, 23rd January, 1908.

## CHINA NAVIGATION CO., LIMITED.

FOR	STEAMERS	TO SAIL
AMOI, NINGPO & SHANGHAI	"SZECHUEN"	24th Jan., 4 P.M.
SHANGHAI	"YINGCHOW"	25th " "
HOIHOW & HAIPHONG	"HUPEH"	26th " daylight
MANILA	"TEAN"	28th " 4 P.M.
MANILA, ZAMBOANGA & COLONIES	"CHINGTU"	31st " "
SHANGHAI	"SHAOSHING"	1st Feb. "
CEBU & ILOILO	"SUNGKIANG"	1st " "
MANILA	"TAMING"	4th " "
SHANGHAI	"YOHOW"	6th " "

The Attention of Passengers is directed to the Superior Accommodation offered by these steamers, which are fitted throughout with Electric Light. Unrivalled table. A daily qualified Surgeon is carried.

Taking Cargo on through Bills of Lading to all Yangtze and Northern China Ports.

For Freight or Passage, apply to  
**BUTTERFIELD & SWIRE,**  
AGENTS.  
Hongkong, 23rd January, 1908.

## HONGKONG—MANILA.

Highest Class, newest, fastest and most luxurious Steamers between Hongkong and Manila.—Saloon amidships—Electric Light—Perfect Cuisine—Surgeon and Stewardess carried.—All the most up-to-date arrangements for comfort of Passengers.

CHINA AND MANILA  
STEAMSHIP COMPANY, LIMITED.

Steamship.	Tons.	Captain.	For	Sailing Date.
ZAFIRO	3540	Fraser	MANILA	SATURDAY, 25th Jan., 1908.
RUBI	3540	Almond	"	SATURDAY, 1st Feb., 1908.

For Freight or Passage, apply to  
**SHEWAN TOMES & CO.,**  
GENERAL MANAGERS.  
Hongkong, 20th January, 1908.

## CHINA &amp; MANILA STEAMSHIP CO., LIMITED.

## MANILA CARNIVAL.

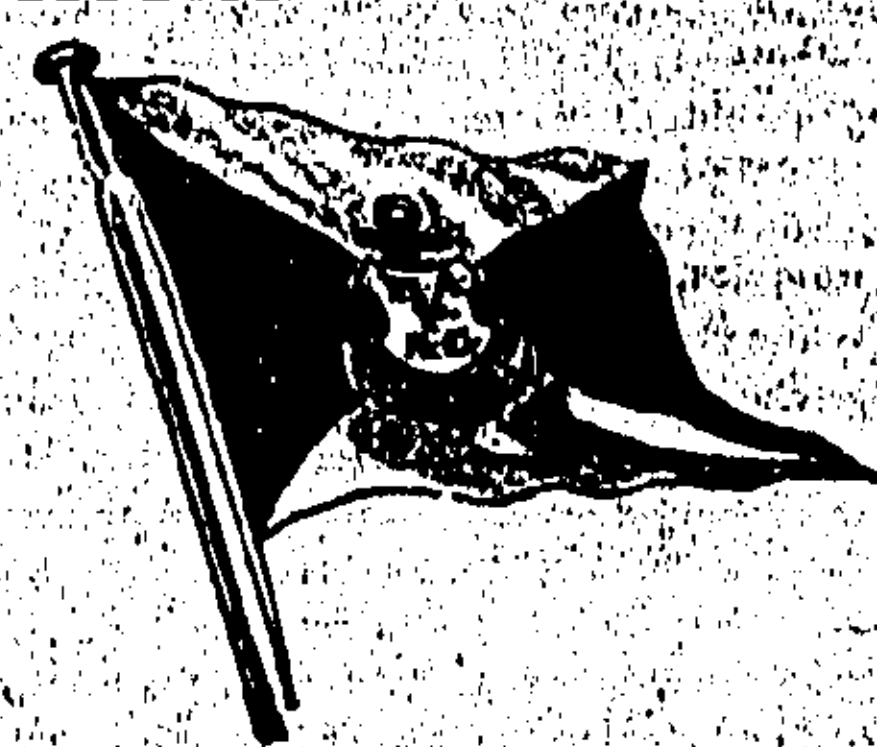
A CARNIVAL will be held in MANILA under Government auspices commencing on the 27th FEBRUARY, 1908. As an inducement to Hongkong residents to patronize this important event, besides enjoying a holiday of reasonable length, we have decided to dispatch the steamer "ZAFIRO" for a special Carnival trip, leaving Hongkong at 4 P.M. on the afternoon of SATURDAY, the 25th FEBRUARY. The "ZAFIRO" will reach Manila on Tuesday morning and in order that the full round of festivities may be enjoyed we shall not dispatch the steamer from Manila until 2 A.M. on the morning of Tuesday, the 1st March. She will reach Hongkong again at daylight on Thursday, the 5th March.

We have arranged a special fare for this round trip of \$50 and Passengers, should they so desire, may make arrangements to remain on board during steamer's stay in Manila.

For further particulars, apply to the Undersecretary.  
**SHEWAN TOMES & CO.,**  
General Managers.  
Hongkong, 22nd January, 1908.

## Shipping—Steamers.

## HAMBURG-AMERIKA LINIE.



187 Ocean Steamer

with

916,000

Br. Reg. Tons.

## PASSENGER SERVICE.

RHENANIA—HABSBURG—HOFENSTAUFE—SILESIA—SCANDIA.

HIGHEST COMFORT, ONLY  
LOWER BERTHS.

Laundry on board, Doctor, Stewardesses carried.

Ports of call: NAPLES, PLYMOUTH, HAVRE, HAMBURG.  
NEXT SAILINGS FROM HONGKONG.

Outward.

Homeward.

HABSBURG	29th Jan., 1908
RHENANIA	26th Feb., 1908
HOFENSTAUFE	22nd Feb., 1908
HOFENSTAUFE	25th March, 1908

Hongkong, 17th January, 1908.

## HONGKONG-NEW YORK.

AMERICAN ASIATIC  
STEAMSHIP CO.

FOR NEW YORK via PORTS and SUEZ CANAL.

(With Liberty to Call at the Malabar Coast.)

Steamship To sail

For Freight and further information, apply to

SHEWAN, TOMES &amp; CO.,

## NORTHERN PACIFIC LINE.

## BOSTON STEAMSHIP COMPANY.

Connecting at Tacoma with  
NORTHERN PACIFIC RAILWAY  
COMPANY.PROPOSED SAILINGS FROM HONGKONG FOR  
VICTORIA, B.C., AND TACOMA,  
VIA  
MOJI, KOBE AND YOKOHAMA.

Steamer	Tons.	Captain.	Sailing.
Kumerik	6,232	Cowley	8th Feb. 1908
Shawmut	9,000	E. V. Roberts	21st Feb.
Tremont	9,000	T. W. Garlick	17th Mar.
Suzerik	6,232	Shotton	9th Apr.

EXCELLENT ACCOMMODATION,  
ATTENDANCE AND CUISINE, ELECTRIC  
LIGHT, DOCTOR AND STEWARDESSES.

\* The twin-screw s.s. *Shawmut* and *Tremont* are fitted with very superior accommodations for first and second class passengers. The large size of these vessels ensures steadiness at sea. Electric fan in each room. Barber's shop and steam-laundry. Cargo carried in cold storage.

† Cargo only.

## PARCEL EXPRESS TO THE UNITED STATES AND CANADA.

For further information, apply to  
**DODWELL & CO., LIMITED,**  
General Agents.  
Queens Buildings,  
Hongkong, 17th January, 1908.

## REGULAR STEAMSHIP SERVICE TO NEW YORK.

VIA PORTS AND SUEZ CANAL,  
(With Liberty to Call at Malabar Coast.)

## PROPOSED SAILINGS FROM HONGKONG.

FOR BOSTON AND NEW YORK.

S.S. "SHIMOSA" ..... 12th February, 1908.  
For Freight and further information, apply to  
**DODWELL & CO., LIMITED,**  
Agents.  
Hongkong, 21st January 1908.

## TOYO KISEN KAISHA.

## SOUTH AMERICAN LINE.

## REGULAR STEAMSHIP SERVICE BETWEEN HONGKONG, CALLAO AND IQUIQUE via JAPAN PORTS (KARATSU, KOBE AND YOKOHAMA).

With liberty to call at HONOLULU and SALINA CRUZ.

Steamers	Tons	To sail
KASATO MARU	6,100	Sometimes in March, 1908.

Taking Freight and Passengers to other Eastern and Western Coast ports of South America in connection with Steamers of the Pacific S.N. Co. (S.N. Co. Steamers).

For further information as to Freight and Passage, apply to  
**K. MATSUDA,**  
Nippon Yusen Kaisha, Ltd.,  
N.Y. Building,  
Hongkong, 16th December, 1907.

## EASTERN AND AUSTRALIAN STEAMSHIP COMPANY, LIMITED.

FOR SYDNEY AND MELBOURNE,  
(Calling at Timor, Port Darwin, and Queens-  
land Ports, and taking through Cargo  
to Adelaide, New Zealand,  
Tasmania, &c.)

## THE Steamship

"EMPIRE,"  
Captain Helms, will be despatched as above,  
on SATURDAY, the 25th inst., at Noon.

This well-known Steamer is specially fitted for Passengers, and has a Refrigerating Chamber which ensures the supply of Fresh Provisions, Ice, &c., throughout the voyage.

The Steamer is installed throughout with the Electric Light.

A Stewardess and a duly qualified Surgeon are carried.

N.B.—To assure the additional comfort of passengers the steamers of the Company have electric fans fitted in staterooms.

For Freight or Passage, apply to  
**GIBB, LIVINGSTON & Co.,**  
Agents.  
Hongkong, 7th January, 1908.

## DOUGLAS STEAMSHIP COMPANY, LIMITED.

FOR SWATOW, AMOI AND FOCHOW.

THE Company's Steamship  
"HAITAN,"  
Captain Roach, will be despatched for the above Ports, on TUESDAY, the 26th inst., at 10 o'clock A.M.

For Freight or Passage, apply to  
**DOUGLAS LARRAIK & Co.,**  
General Managers.  
Hongkong, 22nd January, 1908.

"SHIRE" LINE OF STEAMERS.  
FOR LONDON, ANTWERP AND HAMBURG.

THE Steamship  
"FLINTSHIRE"  
will be despatched for the above Ports, on the 26th February, 1908.

For Freight, etc., apply to  
**SHEWAN, TOMES & Co.,**  
Agents.  
Hongkong, 22nd January, 1908.

STEAM TO CANTON.  
THE New Twin Screw Steel Steamer

"KWONG TAI" ..... Capt. H. W. WALKER.  
"KWONG SUN" ..... Capt. E. S. CROWE.  
Leave Hongkong for Canton at 9 every evening (Saturday excepted).  
Leave Canton for Hongkong at 5.30 every evening (Sunday excepted).  
These Fine New Steamers have unexcelled Accommodation for First Class Passengers and are fitted throughout by Electricity. Electric Fans in First Class Cabins.

Passage Fare—Single Journey ..... \$4.  
Meals ..... 1/2  
The Company's Wharf is situated in front of the New Western Market, opposite the old Harbour Office.

## Notices of Firms.

## INTERNATIONAL SLEEPING CAR

and

EXPRESS TRAINS Co.

(THE

GREAT TRANS-SIBERIAN ROUTE

TO EUROPE.)

HAVING been appointed AGENTS for the above Company, we shall be pleased to give any information as to rates of passage, &c., in connection with above.

**SHEWAN, TOMES & Co.**  
Agents.  
Hongkong, 31st July, 1907.

## LUGGENS EINSTMAN &amp; CO.

REMOVED from No. 1, Pedder Street to 8A, QUEEN'S ROAD CENTRAL, First Floor.  
Hongkong, 23rd January, 1908.

## Consignees.

S.S. "OCEANIC"

COMPAGNIE DES MESSAGERIES MARITIMES.

NOTICE TO CONSIGNEES.

CONSIGNEES of Cargo from London ex s.s. *Medoa* and *Corduan*, and from Harve ex s.s. *Corduan*, in connection with above Steamer, are hereby informed that their Goods, with the exception of Opium, Treasures and Valuables are being landed and stored at their risk into the hazardous and/or extra hazardous Godowns of the Hongkong and Kowloon Wharf and Godown Co., Limited, at Kowloon, whence delivery may be obtained immediately after landing.

Optional Cargo will be forwarded on unless intimation is received from the Consignees before Noon, TO-DAY, requesting it to be landed here.

Bills of Lading will be countersigned by the Undersigned. Goods remaining unclaimed after MONDAY, the 27th January, at Noon, will be subject to rent and landing charges.

All claims must be sent in on or before the 27th January, or they will not be recognized.

Aldamaged packages will be examined on MONDAY, the 27th January, at 3 P.M.  
No Fire Insurance has been effected.

**J. MILLET,**  
Agent.  
Hongkong, 20th January, 1908.

## For Sale.

## SWATOW DRAWN WORK COMPANY.

18, WELLINGTON STREET.

Dealers in all kind of

HAND-MADE DRAWN CHINESE

LINEN, GRASS CLOTH, &amp;c.

all of the best quality;

ALSO

SWATOW BEST FEWTER-WARE;

CANTON EMBROIDERY and CHINESE

LACES,

all from the best French patterns.

HONGKONG AND SWATOW.

Hongkong, 19th October, 1907.

## THE EASTERN CYCLE CO.

3, ARSENAL STREET, WANCHAI.

## BICYCLES—BICYCLES.

CHEAP SALE.

FOR A SHORT PERIOD ONLY.

COMMENCING FROM JANUARY 10, 1908.

MACHINES

FOR

LADIES AND GENTLEMEN FITTED with

2 and 3 SPIT GEAR,

OF ALL

GRADES AND GUARANTEED ENGLISH

MAKES.

All Prices to suit individual requirements.

BICYCLE ACCESSORIES:

LAMP, GAS AND OIL, BELLS, TYRES, CYCLO-

METERS, INFLATORS, SPANNERS,

AND EVERY OTHER REQUISITE FOR

CYCLISTS.

NEW BICYCLES FOR HIRE.

REPAIRS UNDERTAKEN, EXCHANGES

EFFECTED.

## THE EASTERN CYCLE CO.

3, ARSENAL STREET, WANCHAI.

Hongkong, 15th January, 1908.

## LEE YEE

HAIR DRESSING SALOON.

HAS ALWAYS ON HAND

CIGARS, CIGARETTES

AND

TO LET REQUISITES

FOR SALE.

14, DAQUAN STREET, HONGKONG.

Hongkong, 1st September, 1907.

## COMMERCIAL.

## TO-DAY'S EXCHANGE.

Selling.

London—Bank T.T.	1/10 1/16
Do. demand	1/10 1/16
Do. 4 months sight	1/10 1/16
France—Bank T.T.	240
America—Bank T.T.	1/10 1/16
Germany—Bank T.T.	1/10 1/16
India T.T.	1/10 1/16
Do. demand	1/10 1/16
Shanghai—Bank T.T.	21 1/2
Singapore—Bank T.T.	21 1/2
Japan—Bank T.T.	21 1/2
Java—Bank T.T.	21 1/2

Buying.

4 months sight L/C.	1/10 1/16
10 days sight San Francisco & New York.	48
10 days sight Sydney and Melbourne.	48
4 months sight France	240
4 months sight Germany	240
4 months sight India	21 1/2
Bar Silver	21 1/2
Bank of England rate	21 1/2
Sovereign	21 1/2

## Post Office.

A Post Office has now been established at Taipo, New Territories. Rate of Postage, for Letters, 2 cents per 1 oz. A mail will be made up daily at 4 p.m.

## A Mail will close for—

Saigon—Per *Ola*, 24th Jan., 10 A.M.  
Manila—Thursday Island, Cooktown, Cairns, Townsville, Brisbane, Sydney, Hobart, Launceston, New Zealand, Melbourne, Adelaide and Perth—Per *Nikko Maru*, 24th Jan., 10 A.M.  
Shanghai, Nagasaki, Kobe, Yokohama, Honolulu and San Francisco—Per *America Maru*, 24th Jan., 11 A.M.  
Macao—Per *Sui Tai*, 24th Jan., 11 P.M.  
Manila—Per *Yuen Sang*, 24th Jan., 3 P.M.  
Shanghai—Per *Wing Sang*, 24th Jan., 3 P.M.  
Singapore, Penang, Colombo and Bombay—Per *Yokohama Maru*, 24th Jan., 3 P.M.  
Kobe and Yokohama—Per *Sankai Maru*, 24th Jan., 3 P.M.  
Swatow, Singapore and Bangkok—Per *Samen*, 24th Jan., 3 P.M.  
Manila—Per *Zofra*, 25th Jan., 10 A.M.  
Timor, Port Darwin, Thursday Island, Cooktown, Cairns, Townsville, Brisbane, Sydney, Hobart, Launceston, New Zealand, Melbourne, Adelaide, Perth and Fremantle—Per *Empire*, 25th Jan., 10 A.M.  
Europe, &c., India, via Taticoria—Per *Arctida*, 25th Jan., 11 A.M.

## VESSELS IN PORT

STEAMERS.

Amara, Br. s.s., 1,655, C. J. Matlock, 16th Jan.  
Shimonoseki 11th Jan. Gen.—J. M. & Co.  
America Maru, Jap. s.s., 3,460, Philip H. Goring, 15th Jan., San Francisco 17th Jan., and Shanghai 12th Jan. Mails and Gen.—T. K. K.  
Amigo, Ger. s.s., 822, N. J. Balizer, 18th Jan., J. & Co.  
Aogin, Ger. s.s., 1,001, Chr. Kumpel, 19th Jan., Bangkok 12th Jan., Rice—B. & S. Chihli, Br. s.s., 1,176, J. Warrack, 16th Jan., Haiphong 13th Jan., and Hoihow 15th, Rice and Live Stock—B. & S.  
Childar, Nor. s.s., 1,102, H. Nielsen, 20th Jan., Bangkok 11th Jan., and Swatow 14th, Gen.—N. Y. K.  
Dorwin, Br. s.s., 1,556, J. Jenkins, 21st Jan., Saigon 17th Jan., Rice, B. & S.  
Empire, Br. s.s., 3,343, P. T. Helms, 21st Jan., Kobe 15th Jan., Gen.—G. L. & Co.  
Empress of Japan, Br. s.s., 3,593, Henry Pybus, 21st Jan., 12th Jan., Vancouver 21st Dec., and Shanghai 11th Jan., Mails and Gen.—C. P. R. Co.  
Germania, Ger. s.s., 1,713, H. Lorenzen, 9th Jan., Haiphong 7th Jan., Rice—J. & Co. Haitan, Br. s.s., 1,163, J. S. Roach, 15th Jan., Koochow 12th Jan., Amoy 15th, and Swatow 1







## HONGKONG'S SUBSIDIARY CURRENCY.

(Continued from page 5.)

## I.—ACTION AS REGARDS CHINA.

The majority report oppose any agreements with Peking or Canton (para. 18) while the majority [minority—Ed, H.K.T.] report is strongly in favour of negotiation and thinks it would be effective. Both dependents are in favour of negotiation, Mr. Armstrong qualifying this by urging that action should not be delayed pending the result of such efforts, and Mr. Osborne desiring a time limit of six months. Although the majority report is opposed to negotiation para. 22 of the chairman's memo. on which the report is based says that Government should take whatever steps are possible to urge China to reform her currency. There is in any case a majority in favour of negotiation, on the lines I presume of the minority report? The latter with Mr. Osborne desire to defer any action for six months till the result is known. The majority with Mr. Armstrong would desire to take action independently of the negotiations. There is thus a majority of one for the latter course.

Note.—Are the negotiations with Peking merely to urge the fulfilment of the vague undertaking contained in Art. II of the Mackay Treaty? Or does the committee suggest that we should urge that all Provincial Mints should be under central control, their output limited, and their coinage uniform in weight, fineness, and face value. Or that a gold standard should be urged, or any other proposals? I do not think that at this stage it would be useful or possible to second an officer to go to Peking. As regards Canton the proposals of the minority report are clear. In the minutes of meetings other points were raised. Is it suggested that the Viceroy should be asked to withdraw any of the coins now in circulation? I assume not. Should he (as suggested) be asked to coin and issue dollars?

## II.—PROHIBITION.—IMPORT, EXPORT, AND CIRCULATION.

The majority report recommends prohibition, and I assume from para. 14 that the draft Bill submitted (which I have not seen before) is the appropriate form which they desire that the Legislature should take. Mr. Osborne agrees with them, but would defer action for six months. Mr. Armstrong agrees to prohibit import (but says nothing about export or circulation)—does he agree regarding these? except under permit which is provided in sec. 6(3) of the draft Bill.

He suggests a course, i.e., licences to be granted on application without restriction with a view to proving that the import is not solely or chiefly from Canton, and that it is done by money changers and money lenders who do not affect trade. In the latter view Mr. Osborne concurred. Mr. Armstrong's remedy, apparently, is that Government should fix a rate of exchange and establish a Bureau. This in effect is that he is opposed to prohibition and sides with the minority, which appears clear from his remarks on page 9 of meeting 3. His licence system really amounts only to registration of imports as in opium, &c. The votes on this subject are therefore 5 for and 4 against.

There is therefore a majority in favour of prohibition. (This was opposed emphatically in the minority report on the grounds that trade would suffer, and that Hongkong is too intimately associated with South China to render it possible for us to exclude Chinese coin, which would depreciate Chinese coins.)

Note.—The practical difficulties in enforcing such legislation were hardly sufficiently debated. The proposal may be divided into 4 heads:—are all equally practicable and equally useful? If not, which should be tried first, and with what initial modifications?

(4) Import of Chinese subsidiary coins.—In what way do those members who described the provisions of sec. 6 as too drastic suggest that the restriction should bear less heavily, otherwise than by reduction of penalties? Since the majority recommend this course what modifications or tentative measures would the signatories of the minority report suggest? To what extent do the majority consider that permits should at first be issued? Should there be a licence fee? If it is true that Chinese subsidiary coins are largely imported by lenders or changers for discount profit would not a very heavy licence fee for import in bulk be justified and useful? Would such a fee be sufficient in itself to check over-large imports without resorting to prohibition at first?

(5) Import of coins which are legal tender.—Refusal to admit our own coins would seem to amount to repudiation, against which the Committee is unanimous (see note of minority on para. 9 of majority report). Some members suggested a five years period of grace after which there should be repudiation. I understand this proposal was abandoned by all? It must be remembered that we have made a profit of two millions on putting these coins into circulation. In view of these remarks are the committee prepared to withdraw these words from the draft Bill? Of course, restrictions on import of Hongkong coins could be temporarily withdrawn if more such coins were required in order to replace the Chinese coins ousted from circulation: as Messrs Shaw and Armstrong point out, it is the principle contained in the words which give power to prohibit import of legal tender to which I refer. Since it appears to be at variance with the unanimous view regarding repudiation recorded by the committee.

(6) Export of legal tender coins.—Are the majority unanimous in thinking prohibition of such coins to be expedient or necessary? except as a measure of reciprocity in case the Two Kwang provinces undertook to prohibit export of their coins—which would be impossible and chimerical? The object being to rehabilitate our coinage, decrease by exportation would be advantageous, and it is highly improbable that export to any large extent would take place, as in former years, now that China is flooded with a subsidiary coin.

ago of her own? It is in fact admitted that the danger lies the other way, viz., of an influx of Hongkong coins from China when their value approaches par here? If the Hongkong coins should rise above par they can be reduced in value by issues from the reserve. Prohibition of export would be difficult to enforce? The proposal to prohibit export is I presume meant to apply only after Hongkong coins reached par?

(4) Circulation of prohibited coins.—Para. 14 of the majority report as amplified by section 3 (3) and section 6 (1) of the draft Bill, appears to require some further explanation. Persons (under section 6) may legally import specified quantities of "prohibited" coins, and presumably under the licences referred to, in section 6 (3) further quantities might be authorised. How then can the Police discriminate between the coins circulated after legal import, and those circulated after illegal import? Clearly the only resource available to a person who has legally imported "prohibited" coins (viz., in quantities less than those prescribed or under licence) is to change it at once for legal tender, the object being to create a large demand for legal tender and so to rehabilitate the Hongkong coinage. Will not this mean a large profit to the money changer class? and (as above suggested) should not this be simultaneously met by a heavy tax on this class? Would the committee agree that the prohibition of circulation should be temporarily deferred in order to prevent (a) dislocation of trade, (b) hardship to ignorant and poor persons and undue interference with the individual, and (c) influx of Hongkong coin from China which, even if prohibited, would be such circumstances be largely smuggled in.

N.B.—It is clear that such a Bill as proposed could only be introduced simultaneously with regulations which would indicate the extent to which the powers conferred by the Bill were to be exercised. It is therefore necessary in considering the proposals, to consider at the same time the nature of the regulations which would give practical effect to it, and it is with this object that I have indicated what further and more precise information is required on this head.

## III.—WITHDRAWAL OF HONGKONG COINS FROM CIRCULATION BY GOVERNMENT.

It was stated by the chairman that I had urged this course, but reference to my memo. will show that I expressed no view on the subject. It was on the other hand the accepted policy of the Government before my arrival, and it received the approval of the Secretary of State. It involves of course an annual outlay of revenue. The minority report approves this course, with however the very important proviso that "it will be a failure unless prohibition is enforced." What does "prohibition" here connote—does it mean prohibition of import only and of both Chinese and Hongkong coins, or the former only? In so important a proviso absolute clearness is essential. The minority apparently consider withdrawal by Government unnecessary? and consider that it would simply cause Hongkong coin to be replaced by Chinese; in which view I understand the majority to concur in view of the proviso referred to. Is the committee then unanimously opposed to the present policy of Government unless prohibition is enforced? It is most important for the Government to be quite clear on this point.

In writing this memo, as also in the case of my former memo, I have carefully avoided the expression of my private views. My object in the former memo was to lay before the committee, as concisely as possible, a few of the theories advanced, in order that they might record their view on each. My object in the present memo is to make it quite clear what the recommendations of the committee are, and to ask for a fuller expression of their views where they require amplification and precision. I desire therefore that the committee should meet once again and formulate replies to the questions I have asked and I hope that those who dissent from the majority report will nevertheless be so good as to give their views on the points raised. Later when the matter is discussed in Executive and debated in Legislative Council it will be time enough for me to express my personal views.

F. D. LUGARD.

## THE REPLY.

The reply of majority report signatories to His Excellency's memo. of the 12th November, 1907, reads:—

## II.—PROHIBITION.—IMPORT, EXPORT AND CIRCULATION.

(a) Import of Chinese subsidiary coins.—The majority consider that permits should be issued only to the extent necessary for carrying on legitimate exchange business in the Colony; that there should be no licence fee; and that no such fee would be justifiable inasmuch as it would be a tax on legitimate business, which would be deranged unduly thereby.

(b) Import of coins which are legal tender.—No repudiation of our coinage can be entertained. Anything in the draft Bill inconsistent with the report should be modified, but the Bill only gives powers which may or may not be exercised.

The report does not advise that prohibition of import of our own coin should be imposed at all events in the present circumstances of the case, but if the words in the Bill are thought objectionable they can be deleted.

(c) Export of coins which are legal tender.—This is a matter similar to the above. No recommendation is made in the report to prohibit export in present circumstances; it was only advised that power might be taken to do such in case it might be considered necessary in the future.

The majority do not advise any agreement with the Government of the Two Kwang in the matter as they consider the question one for the Hongkong Government alone.

There is not the slightest fear of any great export business so long as the coinage is at 5% discount, and the question would therefore not arise till it is at par or at a premium.

The objection to relying on a reserve is that Government has a large quantity of coins locked up whereas it might be reduced to have a corresponding overdraft for carrying on the ordinary business of the Colony.

The enforcement of his prohibition would be largely a matter of experience, but in giving of rewards to informers as contemplated is a very effective measure.

(d) Circulation of prohibited coins.—No difficulty arises as circulation is to be prohibited in toto.

Coins imported under licence are only to be used for exchange purposes. The money changers will not do any more business perhaps than they have been doing recently, but in any case it would be injurious for Government to discriminate them from other legitimate business in the Colony by putting on a special tax.

The whole report of the majority is modified by paragraph 17 which would allow prohibition of circulation to be deferred for such time as Government considered expedient.

The majority have no objection to the influx of Hongkong coins in any case.

## III.—WITHDRAWAL OF HONGKONG COINS FROM CIRCULATION.

The word "prohibition" as used in the majority report means total prohibition of circulation (after due notice) and in addition, to assist such prohibition, partial prohibition of import of alien coins.

Hongkong coins are not considered under prohibition in present circumstances.

The majority consider that prohibition is necessary to give full and proper effect to the policy of withdrawing Hongkong coins from circulation, and that the prohibition of circulation of alien coins is the first important point in the matter.

The present policy of the Government may be continued but no coins sent home for melting and sale till a final decision as to further action has been arrived at.

No purchases of coins in the open market should be made in the meantime.

A. M. THOMSON.  
A. J. RAYMOND.  
ROBT. SHEWAN.  
WEI A YUK.

## THE MINORITY'S REPLY.

The minority's reply to H. E.'s memo. of 10th November, 1907, is given in parallel columns. In reproducing the answers we are not reprinting the Governor's questions which are given above. Reference is made to them in numerical order; the numbers preceding each of the following answers corresponding to the respective paragraphs of the Governor's questions:—

1.—This question to be replied to by the "Independents."

2.—See memorandum attached.

3.—Minority have nothing to say.

4.—This is for the majority to say. The minority disagree "in toto" with prohibition at this stage.

5.—See above answer. If the Government should decide to enforce prohibition we believe only strong measures will make such a scheme effective, hence our objection to it.

6.—These questions to be replied to by the majority.

7.—Even if the statement is correct the minority consider that it would not be advisable to impose such a fee. Heavy licence fees would only be shifting the burden off one shoulder on to the other. Money changers would take advantage of it.

8.—Yes; the proposed time limit was abandoned.

9.—This is for the majority to say—the minority had no hand in drafting the Bill. In our opinion coins that are legal tender cannot be prohibited unless we are prepared to face the stigma of repudiation. It would be difficult to prevent smuggling.

10.—This is a question for the majority to answer. The minority are of opinion that the export of legal tender coins should not be prohibited.

11.—The export of any large amount in the ordinary course of trade seems now improbable and can therefore have little influence on rehabilitation.

12.—Admitted, but such an influx would not take place if by arrangement the discount on both British and Canton subsidiary coins was gradually and simultaneously reduced.

13.—Agreed.

14.—For the majority to answer.

15.—Impossible.

16.—A large demand for Hongkong subsidiary coins would reduce the percentage of discount on these coins. If, by legislation, we made our coins more valuable than the Canton ones a large percentage of those held in China might come back to Hongkong unless their import was prohibited, and this would mean repudiation which Committee are unanimously opposed to. (The course suggested by the minority is to bring about a gradual and simultaneous reduction of the discount on both Hongkong and Canton subsidiary coins.)

17.—Not necessarily, so as competition could to a certain extent be relied upon.

18.—The minority, while disagreeing with prohibition of import and circulation, would remark that, to render the first effective, the second must be introduced simultaneously, after sufficient notice has been given to the public that both import and circulation are to be prohibited. To at once prohibit the import of Canton subsidiary coins and to temporarily defer prohibition of their circulation would give holders of these coins an opportunity to unload their stock to those ignorant and poor persons.

19.—First part to be replied to by the majority. The minority consider withdrawal by Government unnecessary if their proposals are adopted and prove successful. If the import and circulation of Canton subsidiary coins are

prohibited, as recommended by the majority, considerable influx of Hongkong subsidiary coins from the Two Kwang Provinces may be expected and, in order to bring the coins up to par, withdrawal by Government would be necessary until the demand overtakes the supply. Until a final decision is arrived at the minority consider that the Government should continue to withdraw the coins received as revenue and retain them in the Colony.

D. R. LAW.  
A. G. WOOD.  
J. R. M. SMITH.

## MEMORANDUM REFERRED TO IN ANSWER TO QUESTION 2.

1. In urging the fulfilment of Art. II. of the Mackay Treaty, we certainly understand it to refer to all Provincial mints.

2. As regards the question of a new standard (silver coin) it was suggested in the original minute (10th August) on subsidiary coinage, under enclosure 2, to have subsidiary coins of the same millimal fineness as the dollar and of equal proportional weight, e.g., ten-cent pieces must equal one dollar in weight, in order to abolish the disparity in bullion or intrinsic value between the two.

To this we have to say that—

Having small coins of the same proportionate weight and fineness to the standard coin is sound enough but we think needlessly expensive. We suggest that they be of equal fineness but reduced in relative weight to an extent to cover minting charges say 2%.

This would be sufficient to prevent the small coin being melted on the one hand and going to a heavy discount on the other.

We would add that this is a question affecting not only Hongkong but British interests in the various treaty ports of China, and an exchange of views should first be sought so as to arrive at a unanimous representation.

That naturally means protracted negotiations. On that account the minority recommended separate negotiations as regards Canton to meet the immediate situation which is relatively a very small matter.

3. We do not suggest making a point of the Viceroy withdrawing coins (if he is willing to do it so much the better), but we think he should be asked not to issue the stock, if any, held in the Provincial Treasury until they are at par.

4. We do not suggest the coinage of a Provincial dollar, as it would only make the general reform scheme more difficult.

5. As regards China adopting a gold standard it will be time enough to consider that, after she has successfully reformed her copper and silver currency into a uniform national coinage.

Note.—In this connection we would remark that when China is prevailed upon to reform her currency, this Colony will have to face repudiation or degradation. In fact the Colony will then also have to reform its currency for it cannot continue to maintain its commercial influence if deprived of handling the foreign trade and commerce of Southern China as it assuredly would be if that trade was subject to another exchange. It should not be forgotten that our present standard is an alien coin—the Mexican Dollar—and at present the Canton subsidiary coin is as good intrinsically as our own.

Hongkong, 10th December, 1907.

## MR. ARMSTRONG'S REPLY.

Following is Mr. Armstrong's reply to Memo. on report of Subsidiary Coin Committee:—

Although I am not opposed to negotiation with Peking, either as regards the Mackay Treaty, the control of the Provincial Mints, Gold standard and the withdrawal of Chinese subsidiary coins, I do not think it necessary, nor do I think it will result in anything and if we are to delay action until we get anything like a definite answer to any of these points, it may be years before anything is done. The Chinese Government in Canton will doubtless coin dollars whether we ask them to do so or not. If they do not, we can supply them with all they want.

The extent to which permits should be issued must be left entirely with the Government. I should say that if a Chinese Bank or money changer wanted a permit to import \$10,000 every week, it should be refused, unless the applicant can show a valid reason for requiring to import such a large amount. There should be no licence fee, the poor man who, we will say, comes into the Colony with \$100 in subsidiary coins to buy goods with will suffer much more by such fee than the big man who imports in bulk as a speculation, and recoups himself by the discount ruling between this and Canton. A large fee might check to some extent the over-large imports, but it would also stop people from buying goods here.

I am against repudiation now or five years hence. (What are "these words"?)

To prohibit the export of Hongkong subsidiary coin is not necessary, nor desirable, nor could it be enforced.

I do not propose that the circulation of Chinese subsidiary coin in this Colony should be stopped, if the importation in bulk is restricted the coin will go out of circulation of their own accord.

My suggestion that there should be Government Exchange Bureau to buy the coin at a rate fixed by them, was only in case circulation was prohibited.

It would be useless for the Government to withdraw any more of their subsidiary coin without making some restriction as to the importation of Chinese subsidiary coins, the more the Government withdraw the more room there is for Chinese coins to come in.

The report says that the majority are in favour of prohibition. There is a legitimate business in Chinese subsidiary coin in this Colony not intended for local circulation which total prohibition would dislocate. Every year thousands of dollars arrive in Hongkong from abroad with their ratings. Hongkong is where they want to take their money to China. They want Chinese money to take with them just as much as we take foreign money when we go home.

Hongkong, 22nd November, 1907. J. ARMSTRONG.

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